Annual Report

TASCO BERHAD

Annual Report for Financial Year Ended	31 Mar 2017
Subject	Annual Report - 2017

Please refer attachment below.

Attachments

TASCO Annual Report 2017.pdf
2.2 MB

Announcement Info

Company Name	TASCO BERHAD
Stock Name	TASCO
Date Announced	28 Jul 2017
Category	Document Submission
Reference Number	DCS-24072017-00033

Create Better Connections

TRANSFORM 2025

ANNUAL REPORT 2017

TASCO

NYK GROUP COMPANY

TASCO Berhad (20218-T)

CONTENTS

OVERVIEW

CORPORATE SECTION

FINANCIAL STATEMENTS

OTHERS

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.

Vision

Our new vision describes our ultimate ambition for the future

Connecting people, businesses & communities to a better future - through logistics

Mission

This describes the business we need to become - and tells us what we must do to achieve our vision:

To become the world's preferred supply chain logistics company - applying insight, service quality and innovation to create sustainable growth for business and society

Values

We also have three values that inform our personality and behaviours. A rational one, an emotional one, and a more aspirational one designed to stretch us.

vision:

Connected
Committed
Creative

Brand Promise

This is our brand promise. It describes what we aim to deliver time and time agian

LET'S LIVE THE VALUES

BE CONNECTED

Be open and transparent in the way you work - and make sure you truly understand your customers' challenges.

LET'S LIVE THE VALUES

BE COMMITTED

Build relationship, show your dedication to quality - and get every detail right.

LET'S LIVE THE VALUES

BE CREATIVE

Strive to develop better ways of working - then act on them and share them with colleagues.

LET'S KEEP OUR PROMISE

CREATE BETTER CONNECTIONS

Get close to customers, work closely with colleagues - and help secure the future of our business.

OUR COMPANY PROFILE

TASCO

HARIMAU EXPRESS

Contract Logistic Division

Customs Clearance
Haulage Transportation
Warehousing Services
Warehouse In-plant Services

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 21 logistics centres and 1,600 employees in Malaysia and Singapore. It is a part of the global network of Yusen Logistics Co. Ltd having 514 locations and 22,254 employees worldwide as at 31 March 2017.

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.

Yusen Logistics

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 Kabushiki Kaisha ("NYK")

NYK is listed on the Tokyo Stock Exchange and Nagoya Stock Exchange;

NYK has 55,000 employees globally; 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 514 locations and 22,254 employees worldwide as at 31 March 2017;

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

CORPORATE HEAD OFFICE

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

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 II
12. Bangi Logistics Centre III
13. KLIA Air Freight Logistics Centre
14. Kuantan Port Logistics Centre
15. Melaka Logistics Centre

DOMESTIC NETWORK

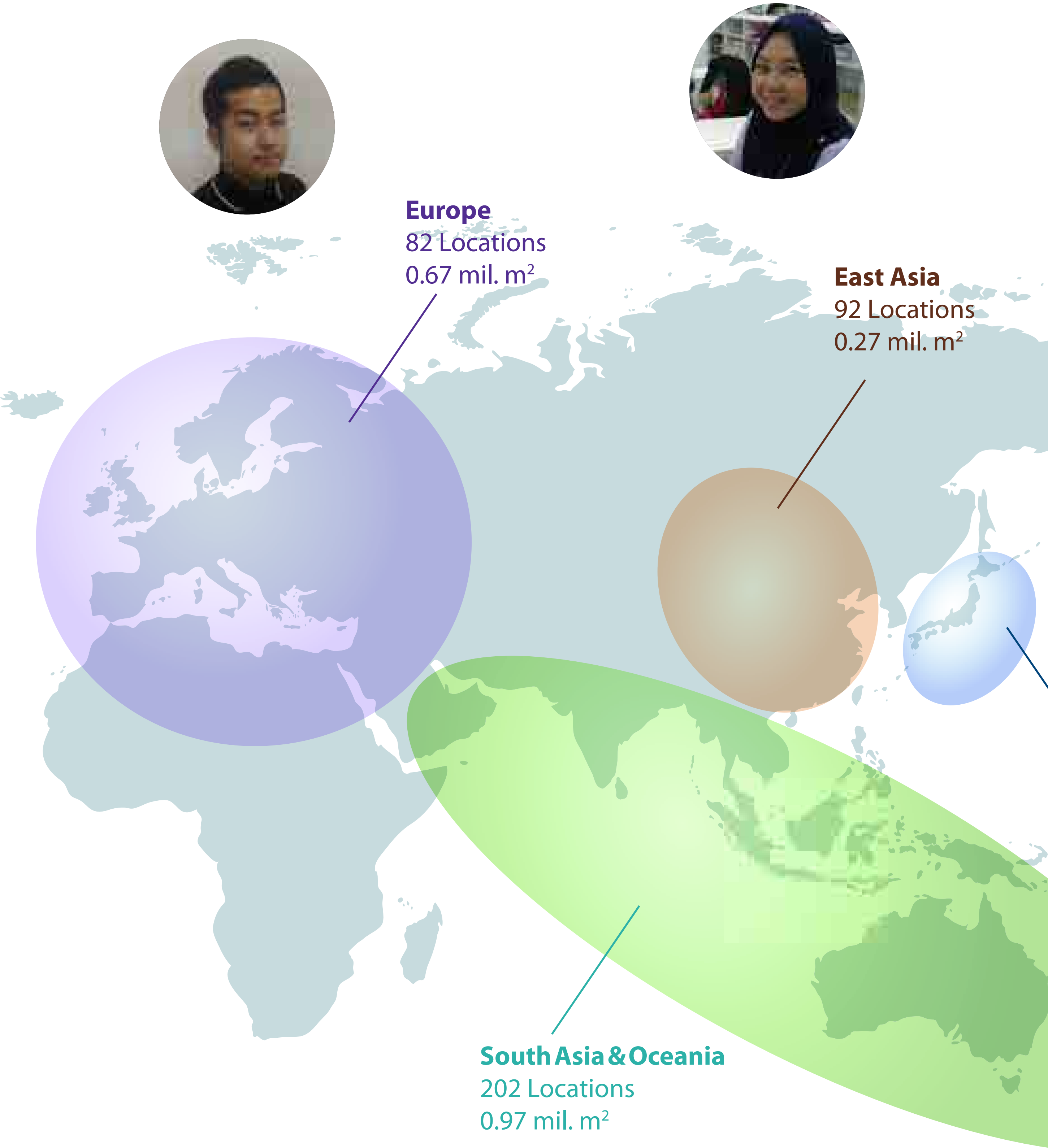
“21 Logistics Centres & 1,600 Employees in Malaysia and Singapore”

Southern Region
16. Tanjung Pelepas Logistics Centre
17. Johor Bahru Causeway Office
18. Senai Seelong Logistics Centre

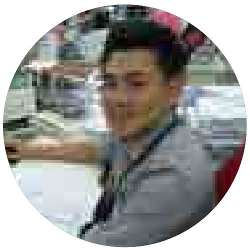
EAST MALAYSIA
19. Kota Kinabalu Logistics Centre
20. Kuching Air Freight Logistics Centre

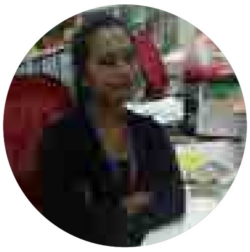
SINGAPORE
21. Singapore Truck Freight Logistics Centre

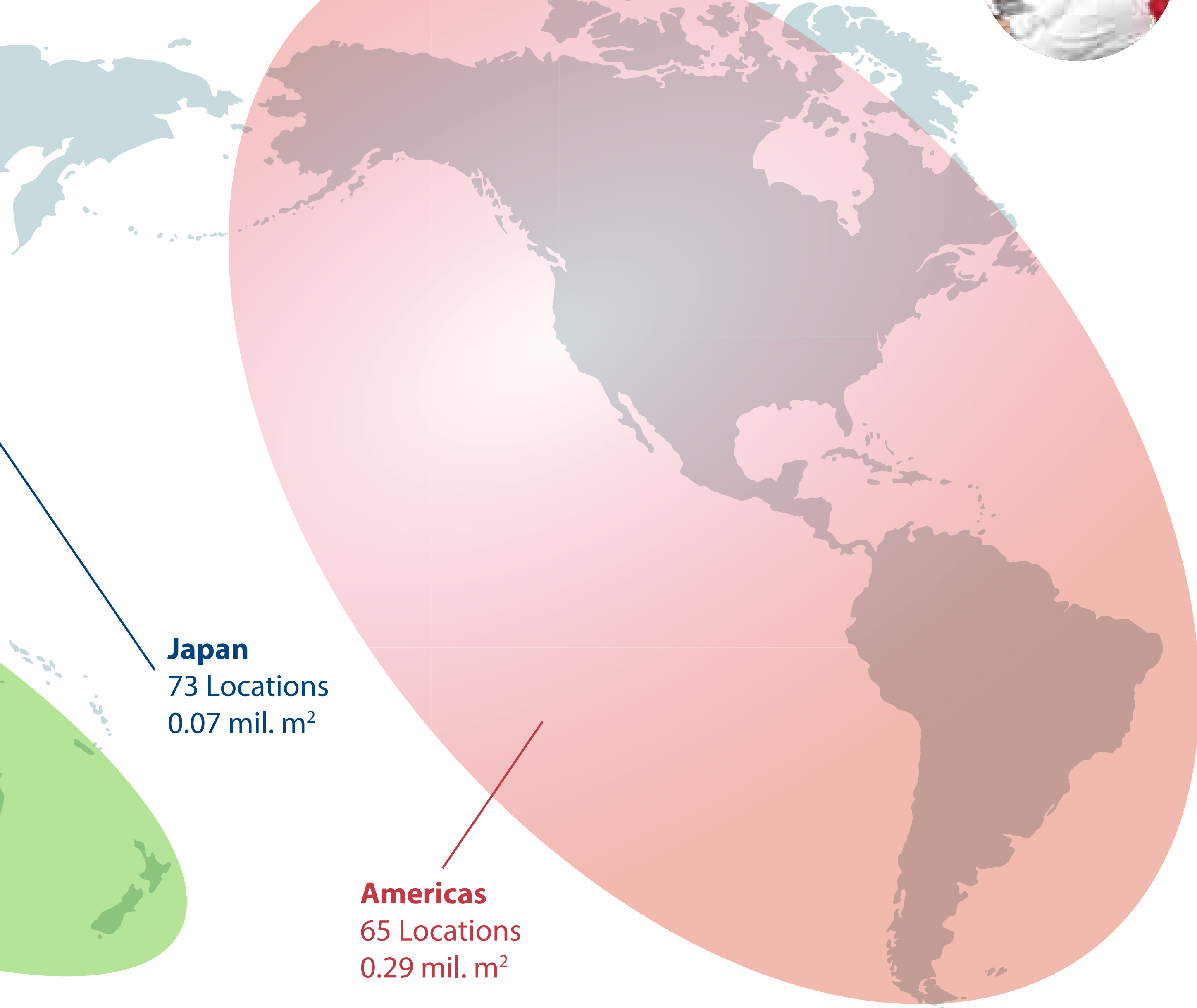
YUSEN LOGISTICS GROUP
AS AT 31 MARCH 2017



Employees: 22,254 **Locations**: 514 **Warehouse space**: 2.27 million m^2





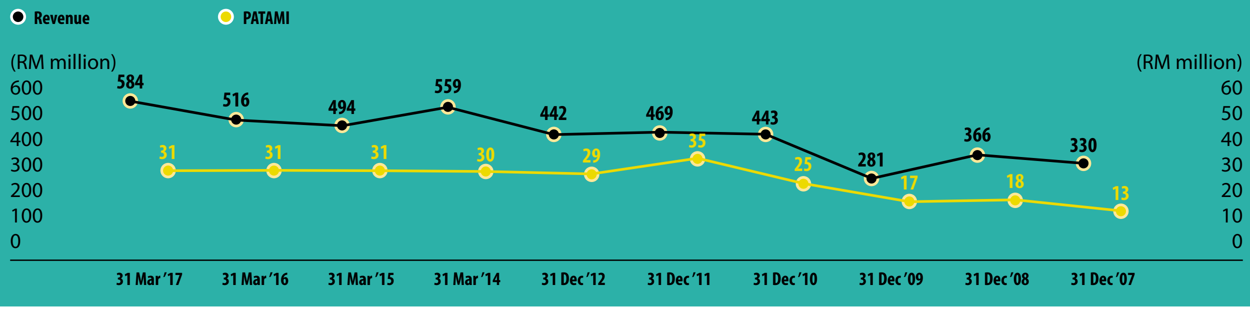

Japan
73 Locations
0.07 mil. m²
Americas
65 Locations
0.29 mil. m²

CONSOLIDATED FINANCIAL HIGHLIGHTS

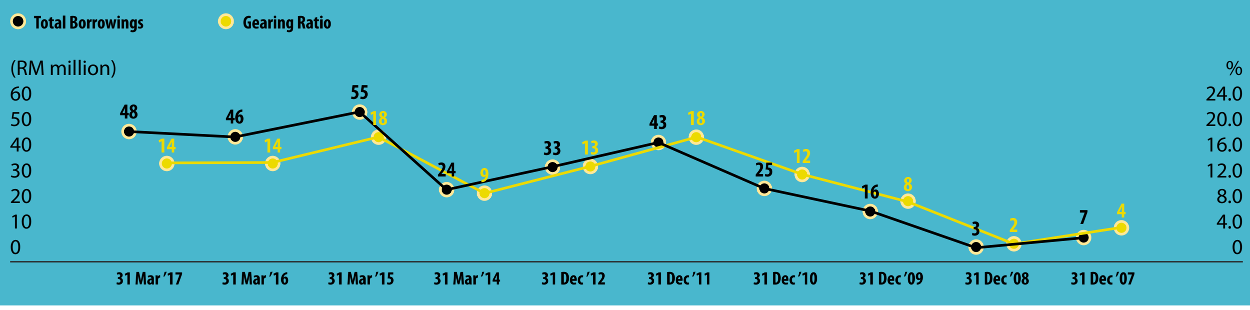
Year/Period Ended	31 Mar '17	31 Mar '16	31 Mar '15	31 Mar '14
Results of operation (RM'000)				
Revenue	584,402	515,666	494,305	559,613
PBTAMI[1]	43,342	43,979	41,336	41,958
PATAMI[2]	30,669	30,606	30,681	30,409
Capital expenditures	14,024	8,393	64,205	31,801
Financial position at year/period end (RM'000)				
Share capital (ordinary shares)	100,000	100,000	100,000	100,000
Total assets	514,191	450,435	431,700	375,847
Cash and cash equivalents	81,700	92,586	57,081	52,461
Total liabilities	172,466	129,679	131,834	98,062
Total borrowings	48,407	46,027	54,795	24,179
Shareholder equity	340,665	319,884	299,097	277,133
Amount per share (sen)				
Earnings per share[3]	15.33	15.30	15.34	15.21
Dividend per share (Annual)[3]	4.50	4.50	4.50	5.17
Ratios (%)				
Shareholder equity ratio	66.3	71.0	69.3	73.7
Return on equity	9.0	9.6	10.3	11.0
Return on assets	6.0	6.8	7.1	8.1
Current ratio	212.2	227.0	200.4	212.9
Gearing ratio	14.2	14.4	18.3	8.7
Dividend payout ratio[4]	29.3	29.4	29.3	34.0

Notes :
1 Profit before taxation after minority interest.
2 Profit after taxation after minority interest.
3 Calculated based on the total issued shares of 200,000,000
4 Calculated based on gross dividend divided PATAMI.

REVENUE AND PATAMI

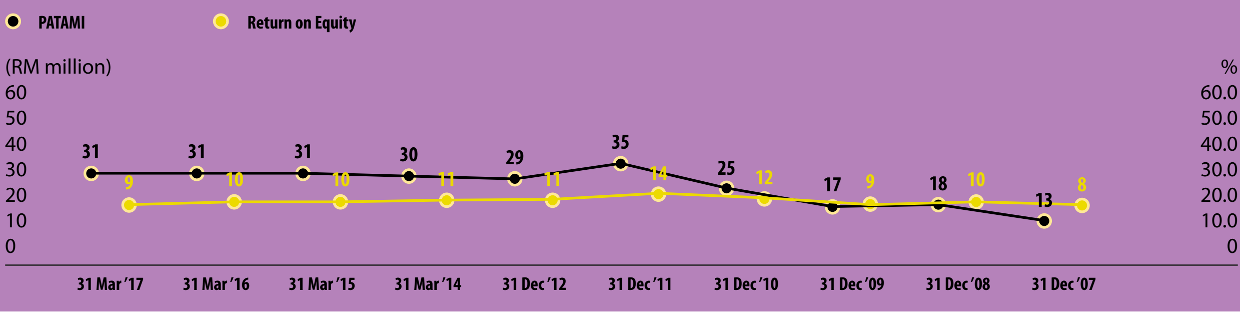


TOTAL BORROWINGS AND GEARING RATIO

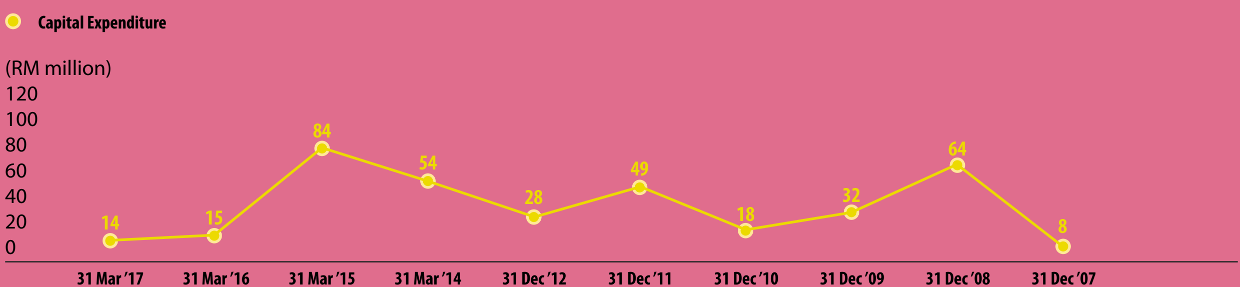


31 Dec '12	31 Dec '11	31 Dec '10	31 Dec '09	31 Dec '08	31 Dec '07
442,448	469,211	443,362	280,630	366,456	329,844
35,228	37,278	32,724	14,160	22,548	18,312
28,889	34,590	24,776	16,560	18,358	13,157
18,056	49,399	27,834	53,579	84,323	14,663
100,000	100,000	100,000	100,000	100,000	100,000
344,402	347,262	295,897	263,371	246,209	208,476
52,699	49,280	46,927	35,041	46,434	62,187
88,368	106,085	81,757	70,724	65,841	49,251
32,853	42,923	25,133	16,056	2,728	6,951
255,485	240,714	213,763	192,323	180,097	158,982
14.44	17.30	12.39	8.28	9.18	6.58
6.00	6.45	4.57	3.50	-	-
74.2	69.3	72.2	73.0	73.1	76.3
11.3	14.4	11.6	8.6	10.2	8.3
8.4	10.0	8.4	6.3	7.5	6.3
237.6	233.0	231.6	208.4	187.0	291.8
12.9	17.8	11.8	8.3	1.5	4.4
41.6	37.3	36.9	42.3	-	-

PATAMI AND RETURN ON EQUITY



CAPITAL EXPENDITURES



"For FYE 31 March 2017, the TASCO Group turned in a steadfast performance despite challenging macroeconomic conditions and intense competition for cargo in the Group's traditional core business segments. To take its performance up to the next level, the Group has made strategic investments in the cold chain logistics business and will continue to maintain a focus on delivering a high level of customer service and innovative logistics solutions."

Dear Valued Stakeholders,

On behalf of the Board of Directors, I am pleased to present to you the Annual Report and Audited Financial Statements of TASCO Berhad ("TASCO" or "the Group") for the financial year ended ("FYE") 31 March 2017.

A CHALLENGING OPERATING ENVIRONMENT

In 2016, the global economy moderated on the back of low commodity prices, a prolonged downturn in the oil and gas industry, slowing growth in China and a lacklustre US economy. This scenario was further compounded by major political developments in the form of Brexit and the US presidential elections, which heightened the level of global uncertainty.

Malaysia was not spared the vagaries of the marketplace either with the Ringgit continuing to slide against major currencies throughout the year. Amidst moderating domestic demand and consumer spending, Malaysia's GDP growth rate declined to 4.2% in 2016 against 5.0% in the preceding year. The improvements in private consumption and investment activity were offset by the decline in public expenditure, while private investment registered modest growth even as businesses remained cautious about undertaking capacity expansion in the face of external and domestic headwinds.

A STEADFAST PERFORMANCE

Amidst these challenging macroeconomic conditions, TASCO had to contend with intense competition for cargo in the Group's traditional core business segments. Performance-wise, we posted higher revenue growth over the first three quarters of the financial year in comparison to the corresponding period in the preceding year. Our profitability over this period too rose as a result of higher revenue from our domestic and international business segments. However, for the fourth quarter of the financial year, the Group's profitability (in comparison to the corresponding quarter in the previous year) dropped as a result of swings in seasonal demand in the domestic and international markets. Nevertheless, I am pleased to report that by the financial year's end, the Group managed to turn in a credible performance to register higher revenue against the preceding financial year although profitability remained relatively flat.

For FYE 31 March 2017, the TASCO Group turned in a steadfast performance, registering revenue of RM584.4 million, a RM68.7 million or 13.3 per cent year-on-year ("y-o-y") increase against revenue of RM515.7 million in the preceding financial year. The increase in revenue was mainly attributable to the International Business Solutions ("IBS") segment, which generated an increase of RM52.9 million or 25.3 per cent, from RM209.6 million to RM262.5 million y-o-y. Meanwhile, our Domestic Business Solutions ("DBS") segment registered an increase in revenue of RM15.8 million or 5.2 per cent, from RM306.1 million to RM321.9 million y-o-y.

For the year in review, the Group's profit before taxation ("PBT") decreased marginally by RM0.6 million or 1.3 per cent from RM44.1 million previously to RM43.5 million y-o-y. Meanwhile, the Group's net profit for the year rose slightly by RM0.1 million or 0.5 per cent from RM30.7 million to RM30.9 million y-o-y. The IBS segment posted an increase in PBT of RM0.4 million (3.3 per cent) from RM13.6 million to RM14.1 million, while the DBS segment reported an increase in PBT of RM2.7 million (12.5 per cent) from RM21.3 million to RM23.9 million. Meanwhile, PBT from the non-business segment reduced from RM9.1 million to RM5.5 million, a reduction of RM3.6 million (40.1 per cent), largely due to the one-time gain of RM4.9 million recorded in the preceding year from the disposal of a land and building.

The finer details of the Group's segmental performance are spelt out in the Management Discussion and Analysis section of this Annual Report.

GOOD SHAREHOLDER VALUE CREATION

In respect of FYE 31 March 2016, TASCO paid out a final single tier dividend of 2.50 sen per ordinary share amounting to RM5.0 million on 28 October 2016.

In respect of FYE 31 March 2017, we paid out a single tier dividend of 2.00 sen per ordinary share amounting to RM4.0 million on 24 March 2017. Following this, the Board of Directors declared a single-tier dividend of 2.50 sen per ordinary share amounting to RM5.0 million in respect of FYE 31 March 2017 on 26 May 2017 which was paid out on 7 July 2017. The total single tier dividend declared for FYE 31 March 2017 amounting to 4.50 sen per ordinary share is in keeping with the previous financial year's dividend payout.

STRATEGIC INVESTMENTS

To take our performance up to the next level, the Group has made strategic investments in the cold chain logistics business. Our foray into this business segment comes via our acquisition of Gold Cold Transport Sdn Bhd and MILS Cold Chain Logistics Sdn Bhd.

On 12 July 2017, we completed the acquisition of two million ordinary shares in Gold Cold Transport Sdn Bhd ("GCT") for RM185.6 million. Today, we have a 100% equity interest in the company which is one of the largest cold chain logistics players in the country in terms of storage capacity size. GCT is principally involved in the business of transportation, cold room storage facilities, repackaging and value-added services. Operating from a warehousing facility in Shah Alam with a total storage capacity of about 27,128 pallets, GCT has over time developed into a full-fledged chilled and frozen food transporter. The acquisition of GCT provides us with multiple temperature-controlled logistics facilities ranging from 18 degrees to minus 30 degrees. As only a handful of players in the market can offer these facilities, this accords the Group certain competitive advantages.

On 23 January 2017, we entered into an agreement to acquire six parcels of leasehold land located at Pulau Indah, together with the related assets on the properties, plus the entire equity stake in MILS Cold Chain Logistics Sdn Bhd ("MCCL") for a total cash consideration of RM143.0 million. The land measuring 39.52 acres in total comes with a temperature-controlled storage facility that has a 10,643-pallet capacity. This acquisition is a key investment in that it will give us a very strong presence at the strategically-located Westports which commands approximately 76 per cent share of the container volume (TEUs) at Port Klang. Poised to become a preferred port for local boxes within the next five years, in addition to being a trans-shipment mega-hub, Westports has been consistently rated as one of the world's most productive ports. This acquisition will open up new avenues of opportunity for the Group given that we will be one of the largest operators in the area in terms of capacity. The acquisition has not been completed at the time of writing.

These strategic investments are expected to begin contributing to the Group in the coming financial year and bode well for the Group's long-term growth. They will enable us to further diversify and widen our platform into other vertical areas. We will use this opportunity to move beyond our traditional Japanese customer base to cater to other global customers.

RECOGNISED FOR UPHOLDING EXCELLENCE

Our commitment to upholding excellence in all that we undertake continues to earn us recognition on several fronts. It is my pleasure to announce that TASCO was recognised as having the "Best Customer Service and Complaints Management for General Cargo" by Suruhanjaya Pengangkutan Awam Darat ("SPAD") at SPAD's Gala Dinner & Industry Awards held in conjunction with the SPAD Land Transport Symposium 2016.

We also received an appreciation award from the Employees Provident Fund ("EPF") Selangor for being the "Best Employer for the Year 2015". This award underscores our commitment to safeguarding the rights of our employees by facilitating smooth EPF payments and ensuring no non-compliance issues.

In December 2016, MasKargo Sdn Bhd inducted TASCO into its exclusive Priority Business Customer club as a Platinum member. This accords us special value-added privileges such as special cut-off times for cargo submission and cargo release as well as a dedicated truck dock at MasKargo's exclusive Priority Business Centre located at Core 2 of the Advanced Cargo Centre at KLIA.

While these awards attest to our commitment to being an exemplary leader in our industry, rest assured that we will not rest on our laurels but will continue to set new benchmarks and high service standards.

RESPONSIBLE CORPORATE PRACTICES

To ensure the sustainable, long-term growth of our business, the Board of Directors remains committed to upholding and implementing strong standards of corporate governance as well as robust risk management and internal control measures. These fundamental components of our business are helping strengthen investor confidence, safeguarding our corporate reputation and ensuring continued shareholder value creation.

Being a conscientious industry leader, TASCO is dedicated to operating a profitable and sustainable business that not only increases shareholder value but benefits the community and environment around us. As such, we continue to roll out several effective Corporate Social Responsibility ("CSR") initiatives that are impacting our various stakeholders for the better.

On the community enrichment front, we are giving back to the community by reaching out to the less privileged in society. Over the month of Ramadhan, our staff and management undertake donation drives for orphanages and visit these orphanages to distribute goodie bags and donations to bring cheer to the less fortunate.

In the area of employee safety and health, our Safety Committee continues to conduct audits and safety checks to ensure that our stringent guidelines are complied with and all our operating environments are secure. To strengthen our workforce, our Human Resource Department continues to help employees chart effective career paths through staff exchanges within the Group under our Regional HR Programme. We also continue to collaborate with institutes of higher learning to assimilate and train interns from logistics courses and other areas of study.

As part of our efforts to mitigate our carbon footprint, we are continuously exploring ways to operate in a more sustainable and green manner. To date we have adopted the use of battery operated handling equipment and low-smoke emission fleets. On top of this, we are ensuring the optimal harnessing of natural light via innovative warehouse designs as well as leveraging on LED lights to reduce heat and energy consumption.

MOVING FORWARD

Barring any surprises, we expect the Group to continue its growth momentum in 2017, both in terms of organic growth as well as in relation to our new cold chain logistics business. As we venture forth, we expect to face continued downside risks such as rising operational costs (in particular freight rates and labour costs), higher interest costs due to higher borrowings to fund our acquisitions, and keen competition for cargo in our traditional core businesses.

Nonetheless, we will continue to maintain a steadfast focus on delivering a high level of customer service and innovative logistics solutions. At the same time, we will explore opportunities to expand our logistics capacity where it is makes sense to do so. We will also continue to tap into the expertise found within the Group's companies to explore new areas of opportunity, while strengthening our current position as one of the leading logistics companies in Malaysia.

ACKNOWLEDGMENTS

In closing, I would like to acknowledge the many parties who have supported us in our journey thus far. On behalf of the Board, I would like to convey my utmost gratitude towards the management and staff of TASCO Berhad for their diligence, resilience and commitment to excellence. My heartfelt thanks also to my colleagues on the Board for their wise insights and guidance, which certainly helped us make the most of the year's opportunities and challenges.

Last but not least, my sincere appreciation to our valued shareholders, business partners and stakeholders for their continued trust and confidence in TASCO. Our earnest gratitude also to the many fund managers, analysts, research houses and members of the Media for their welcome coverage.

As we step forth as an enlarged Group into a new financial year, I call upon all stakeholders to give TASCO their unstinting support. Thank you.

Lee Check Poh
Executive Chairman
25 July 2017

"We have bolstered our position as one of the nation's leading logistics solutions companies via our foray into cold chain logistics, a move that is set to strengthen our already strong logistics base. By leveraging on the synergistic expertise within the Group, TASCO is set to make waves in the logistics industry."

For the financial year ended ("FYE") 31 March 2017, TASCO Berhad ("TASCO" or "the Group") bolstered its position as one of the nation's leading logistics solutions companies via our foray into cold chain logistics, a move that is set to strengthen our already strong logistics base. Together with our unwavering focus on delivering a high level of customer service and innovative logistic solutions, as well as the ability to leverage on the synergistic expertise within the Group, TASCO is set to make waves in the logistics industry. I am pleased to present the finer details of the financial and operational performance of TASCO for the financial year in review.

OUR BUSINESS

TASCO is a subsidiary of Yusen Logistics Co. Ltd., one of Japan's largest logistics companies and a subsidiary of Nippon Yusen Kabushiki Kaisha. Today, we have 21 logistics centres and 1,600 employees in Malaysia and Singapore, and through Yusen's global logistics network, are affiliated with more than 55,000 employees in 514 locations worldwide. Offering integrated logistics solutions covering air, sea and land transportation, TASCO serves as a one-stop logistics centre to handle domestic and international shipments for customers.

The Group's business segments are divided into the International Business Solutions ("IBS") and Domestic Business Solutions ("DBS") categories. Our IBS segment encompasses the Air Freight Forwarding division (offering air freight services), the Ocean Freight Forwarding division (covering sea freight services), and the Origin Cargo Order & Vendor Management division (providing buyer consolidation services). Meanwhile, our DBS segment encompasses the Contract Logistics division (covering customs clearance, haulage transportation, warehousing services and warehouse in-plant services) and the Trucking division (offering domestic trucking and cross border trucking services).

OUR STRATEGIES FOR GROWTH

For the past few years, the IBS segment has typically been contributing some 40 per cent of our revenue while our DBS segment has been contributing 60 per cent. Moving forward, things are set to change. Under "Project Snow", our recent foray into the cold chain logistics business via the acquisition of Gold Cold Transport Sdn Bhd ("GCT") and MILS Cold Chain Logistics Sdn Bhd ("MILS"), we have set in motion a strategy to further strengthen our already robust logistics base. Project Snow aligns readily with our ambition of developing a complete end-to-end solution for the market (following market studies we undertook five years ago) and is set to propel the Group forward on its next growth trajectory.

By absorbing GCT and MILS, two proven cold chain players into our logistics solutions stable, we have been able to leapfrog into this lucrative sector without the need to build our own cold chain capability from scratch. We are fortunate in that these two companies were looking to sell at the same time we were looking to develop our cold chain expertise. Combining the existing capacity of the MILS and GCT facilities, the Group will have a combined cold room storage capacity of 36,100 pallets.

While the two businesses have a domestic focus, they will be integrated with our air, sea and land freight businesses so that we can offer synergistic door-to-door supply chain solutions. Currently, cold chain suppliers do not really cater for customers' freight needs. If at all they do, they still use third party providers. Our offer of an all-inclusive, one-stop solution to our customers will see us fulfilling their end-to-end cold chain supply requirements and carving ourselves a niche in the market.

The robust demand for cold chain logistics providers with one-stop logistics solutions, quality services, innovative solutions and advanced facilities bodes well for the Group. A recent US Trade report on the top markets for placed Malaysia near the top ranked markets. The report also cited Malaysia's high potential for cold chain sector growth amidst the ASEAN region. In 2015, approximately 47 per cent of contemporary retail players in Malaysia outsourced their cold chain requirements and they are expected to keep expanding and outsourcing. All these facts augur well for our long-term prospects as does the fact that margins in the cold chain logistics business are higher than typical margins in the general logistics business. Moving forward, we anticipate our new cold chain business to contribute some 20 per cent of our revenue for the mid-term beginning from the new financial year.

Today, while the GCT and MCCL businesses will be acquired by TASCO, they are being managed by the original teams who already have a proven expertise and track record. Given the high market entry requirements and the limited number of players in this segment, we are confident of maintaining our competitive edge in this segment.

Alongside Project Snow, we continue to maintain a steadfast focus on other proven strategies for growth. These include our continual adoption of the Kaizen way, the Japanese culture for continual improvement throughout our operations. To optimise operational efficiencies in the areas of service quality, we are leveraging on the Control Tower Function ("CTF"), which acts as a one-window platform for all our services. The CTF provides us timely and beneficial data on performance levels and key performance indicators that we relay to our customers via mobile or desktop platforms. This ensures we are continually making strong advances by way of quality services. The CTF has been made available to all our major customers and we continue to extend its reach. These strategies of providing value added services are doing much to differentiate us from other customers in a highly competitive environment.

Over the mid-term, we will be exploring an e-commerce capability on the cold chain logistics front to reinforce our market position in this segment. On top of this, we have already made about RM15 million investment into setting up a semi-conductor logistics hub at KLIA which we envision will become a global hub for a key electronics customer. Over the last few years, we have been involved heavily in sea freight activities. From this new financial year onwards, we will turn our focus to strengthening our air freight logistics capability via the KLIA hub. This will provide us another platform to generate revenue and with the rise in ecommerce activities, we hope to get more customers in. To date, we have recruited some 300 people to help us drive this venture. We are also actively strengthening our logistics capability at our Shah Alam hub to turn it a regional distribution centre ("RDC"). All these developments will ensure TASCO is able to offer clients a complete land, sea, air and cold supply chain solution.

For the long-term, we will focus our efforts on aligning with "Transform 2025", the Yusen Group's shared vision and strategy for the future. The Transform 2025 roadmap will serve as both a reference point and guide for the Yusen Group's businesses. It sets out the guiding principles for how the businesses within the organisation are to conduct business with one another and with their customers. It aims to ensure that Yusen's business strategy is reflected in each region, business unit, operating company, office and individual's priorities.

OUR FINANCIAL PERFORMANCE

For the financial year in review, TASCO successfully weathered a challenging operating environment to turn in a steadfast performance. The Group's overall revenue of RM584.4 million for FYE 31 March 2017 came on the back of a RM262.5 million contribution from the IBS segment and RM321.9 million contribution from the DBS segment.

Segmental Revenue

Within the IBS segment, the Air Freight Forwarding ("AFF") division posted a revenue increase of RM24.7 million (16.9 per cent), from RM145.7 million to RM170.4 million year-on-year ("y-o-y"). The higher AFF revenue was attributable to higher export shipments of electrical and electronics ("E&E") cargoes to Europe, capacitors and aerospace customers as well as garment cargo exportation to Japan.

In the Ocean Freight Forwarding ("OFF") division, continued business support from a solar panel customer contributed significantly to a lift in volume to Northern America and Europe. This coupled with business contributions from aerospace manufacturers and tele-communication customers, propelled the OFF division to post outstanding revenue record in FYE 31 March 2017. OFF revenue increased sharply from RM63.8 million to RM92.1 million, a rise of RM28.3 million (44.3 per cent).

In the DBS segment, the Contract Logistics ("CL") division posted an increase in revenue of RM12.0 million (5.4 per cent) whereas the Trucking division registered an increase of RM3.7 million (4.5 per cent). Within the CL business, increased export and import shipments plus volume contributions from existing major electronics, solar panel and paper products customers drove the customs clearance and haulage businesses to record increases in revenue of RM10.1 million (13.4 per cent) and RM5.8 million (16.7 per cent) respectively. Meanwhile, the warehouse and in-plant businesses experienced a drop in revenue by RM3.5 million (3.8 per cent) and RM0.1 million (0.7 per cent) respectively. A slowdown in warehousing activities coupled with loss of customers in the southern region resulted in lower revenue in the warehouse business y-o-y.

With newly secured FMCG, automotive and tele-communication distribution businesses, both in Peninsular and East Malaysia, the Trucking division posted an increase in revenue by RM3.7 million (4.5 per cent), from RM82.5 million to RM86.2 million.

Segmental Profitability

For FYE ended 31 March 2017, profit before taxation ("PBT") decreased to RM43.5 million, while profit for the year rose slightly to RM30.9 million. The IBS segment posted PBT of RM14.1 million, while the DBS segment reported PBT of RM23.9 million.

In the IBS segment, despite a significant increase in revenue, the PBT of the AFF division dropped from RM8.6 million to RM3.6 million. This RM4.9 million (57.5 per cent) reduction was mainly due to the actual freight costs being higher than the contract bid price for major customers. It also came on the back of the incurrence of pre-operating expenses and the setup of a newly-secured RDC. On the other hand, strong business support from a solar panel customer, boosted the PBT of the OFF division by a robust 106.5 per cent increase from RM5.1 million to RM10.4 million.

As for the DBS segment, the CL business reported an increase in PBT of RM3.3 million (14.9 per cent), from RM22.4 million to RM25.7 million. However, this higher PBT was partially offset by a higher loss before tax by RM0.7 million (62.9 per cent) within the Trucking division. This higher loss in turn was mainly caused by higher operating costs for cross border shipments as a result of the weakened Ringgit coupled with increasing fuel prices and fleet operating expenses. The improved PBT performance of the CL business was mainly attributable to the custom clearance, haulage and warehouse businesses, which posted increases in PBT by RM1.6 million (43.0 per cent), RM1.4 million (19.2 per cent) and RM0.6 million (9.5 per cent) respectively. However, the in-plant business registered a RM0.3 million (5.3 per cent) decrease due to the loss of a customer in the East Coast.

Gearing and Liquidity

As at the end of FYE 31 March 2017, we remained in a net cash position with gross gearing ratio of 0.14 times. However going forward as a result of our strategic investments in the cold chain logistics business, our gearing is anticipated to increase to 1.3 times once the acquisitions are completed. Our financial position, nonetheless, remains secure given our strong balance sheet. As at FYE 31 March 2017, we had in hand cash and cash equivalents amounting to some RM81.7 million (FYE 31 March 2016: RM93.0 million).

While we are in a position to further increase our gearing and capitalise further on investment opportunities, the Group will continue to adopt a prudent and cautious approach towards further bank borrowings. Ideally, we want to stabilise and grow our new cold chain venture first before we extend ourselves any further.

Future Commitments

The Group has not made any specific capital commitments for the new financial year. However, if a good investment opportunity arises, we will certainly assess this and make an objective decision based on the relevant evaluations. In terms of capital expenditure, we may look into the possibility of replacing some of our older trucks if the situation permits. Aside from this, no specific corporate fund raising has been decided as at the time of writing.

BUSINESS RISKS AND MITIGATION MEASURES

As TASCO moves forward in its proven businesses and new areas of opportunity, we recognise that we may be exposed to certain anticipated or known risks that may have a material effect on our operations, performance, financial condition and liquidity. As per Bursa Malaysia's new disclosure requirements, we outline some of our key risks and our strategies to mitigate such risks.

On the **Operational Risk** front, we continue to take the necessary precautions to mitigate the different sorts of hazards that logistics players typically face. For instance, to mitigate the loss of assets or customer cargo due to fire, we proactively undertake proper fire safety inspection at regular intervals and enforce the strictly 'no smoking rule' in our warehouses. We also ensure all flammable cargo and materials are placed at designated areas and have in place fire extinguishers at the proper designated areas. Our warehouse team is tasked with ensuring proper and adequate maintenance of the firefighting system and equipment, while all warehouse operators undergo mandatory firefighting training. Furthermore, our normal standard terms exclude our liability in the event of any loss or damage to our customers' cargoes due to fire.

With regard to **Market/Business Risk**, we face the possibility of the loss of major customers/key accounts or face the prospect of an account that produces losses. To mitigate the loss of any of our major customers, we ensure that we build close partnerships with them and implement the necessary performance measures and incentives to create customer loyalty. At the same time, the director who oversees customer development is tasked with providing progress reports on customers. We also have in place a business plan to diversify our customer base so that we are not totally dependent on any one industry or sector. To curb any instances of a loss-producing account, we work with customers to renegotiate the terms, conditions, validity and rates while taking the necessary measures to reduce costs. The division head is assigned to follow up and report on the progress of such accounts.

Our **Financial Risk** includes liquidity and cash flow risk i.e. not having sufficient cash funding and credit facilities to operate our business and fulfill our financial commitments. To mitigate this, we ensure that all our business units maintain optimum levels of liquidity at all times which are sufficient for our operating, investing and financing activities. We also ensure that each business unit, through efficient working capital management (i.e. accounts receivable and accounts payable management), is able to convert their current assets into cash to meet all demands for payment as and when they fall due. Owing to the nature of our business, we seek to maintain sufficient credit lines available to meet our liquidity requirements while ensuring effective working capital management measures within the Group.

In terms of **Information/System Risk**, we face the threat of loss of business data from improper data backup management as well as the prospect of our servers crashing due to viruses or potential cyber-attacks on our IT system. To counter the loss of business data, we are using RAID5 hard disks and undertake daily backup of our data to tapes which are stored offsite. Our production servers are covered by next business day warranties. To safeguard our IT system from virus or hacker threats, we undertake continuous security assessments and implement security measures such as ensuring that all the operating systems in our network are properly updated as well as maintaining up-to-date anti-virus solutions, high grade firewalls and secure network configurations.

OUTLOOK AND PROSPECTS

The International Monetary Fund ("IMF"), in its latest World Economic Outlook report (April 2017), has raised its 2017 projection for global growth to 3.5 per cent (2016: 3.1 per cent). The IMF cites stronger economic activity, expectations of more robust global demand, reduced deflationary pressures and optimistic financial markets as upside catalysts to stronger growth. However, the IMF has also expressed its concerns about structural impediments to stronger recovery such as the move towards protectionism by certain countries.

On the domestic front, Bank Negara Malaysia ("BNM") announced in its Quarterly Bulletin (May 2017) that the local economy recorded robust growth of 5.6 per cent in the first quarter of 2017 (1Q 2016: 4.1 percent), boosted by strong domestic demand and private sector expenditure. The growth for the quarter was the best since the corresponding quarter in 2015 which saw gross domestic product ("GDP") expand at 5.8%. On the supply side, the improvement was driven mainly by the turnaround in the Agriculture sector and higher growth in the Manufacturing and Services sectors. Going forward, BNM forecasts that the economy is on track to register higher GDP growth of between 4.3% and 4.8% this year on anticipation of a further expansion in domestic demand, better export growth, and moderate inflation in the coming quarters.

TASCO's prospects are closely tied to the performance of the global and Malaysian economies, both of which directly affect the health of the manufacturing sector and international trade. Our business model is particularly susceptible to the factors that affect the movements of domestic and international cargo. In this respect, the improving global and domestic macroeconomic climates augur well for the Group.

Moving forward, we will continue to reinforce our position as one of the leading logistics companies in Malaysia through a high level of customer service and the provision of innovative logistic solutions. The strengthening of our core businesses remains a priority for the Group and we will undertake the necessary steps needed to build a stronger brand.

Today, several developments are unveiling which are reinforcing our position of strength. Given the high demand in ASEAN for consumer logistics, many multi-national corporations (MNCs) are looking to build Malaysia as a hub for their distribution activities. TASCO has already begun taking steps to match the strategies of these MNCs by catering to their specific needs. Our investment into a semi-conductor logistics hub at KLIA for an electronics customer is an example of this. To date, we have been successful in our efforts to attract several large MNCs simply because they have been impressed by our connection to the very strong Yusen global logistics network and our offer of consistently high standards and quality services. TASCO remains one of the strongest logistics players around in terms of contract logistics and our customers can readily tap the expertise of any of our network personnel anywhere in the world for advice.

Our foray into the niche area of cold chain logistics is also set to bolster our already strong logistics base. This is a natural step for us given our involvement in traditional ambient warehousing, as well as vast experience in the FMCG and retail industries. Today, no single global logistics company is able to offer a global cold chain capability. With our Malaysian operations all set to implement a cold chain capability on the national and regional levels, this bodes well for us. While we will of course have initial startup costs to bear, we foresee encouraging revenue coming from this business segment over the mid-term. On top of this, we will also explore the e-commerce side of cold chain logistics.

Within the six parcels of leasehold land at Pulau Indah that we recently entered into a Sale and Purchase Agreement, lies a building which we intend to use for training purposes as part of our corporate responsibility efforts. One of the ideas we are mulling is a tie up with the relevant authorities to offer specialised training to the domestic logistics industry. In Japan, we have the NYK Technology Institute that will enable us to transfer knowledge and technology from Japan. Locally, we now have both cold chain and ambient facilities that will prove very effective for training purposes. We will explore this idea down the road as well as opportunities to implement and end-to-end Halal logistics capability, a repair parts hub and a cost effective rail freight capability. We see this as our contribution to helping put in place the building blocks that will help drive Malaysia's economic growth.

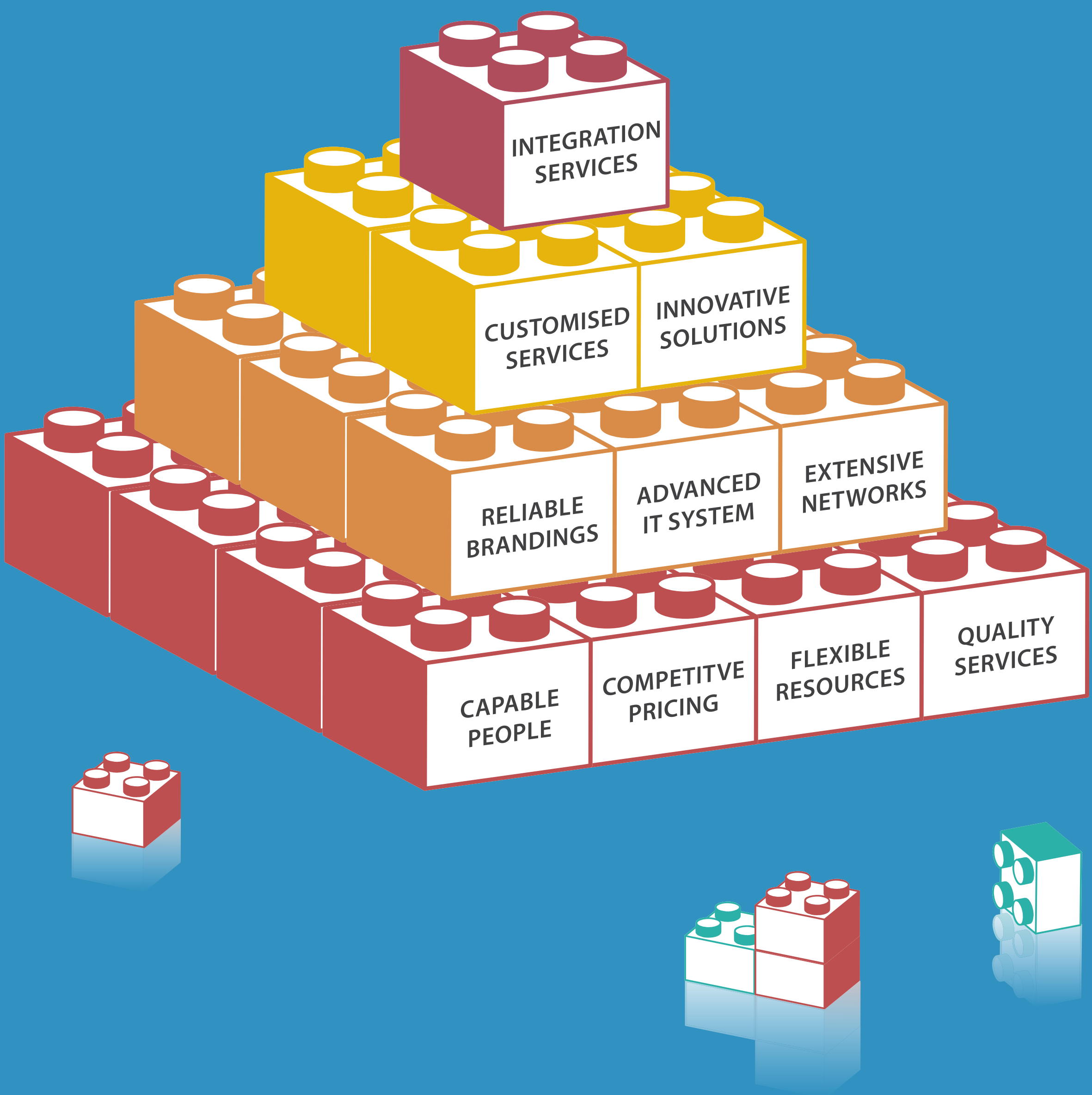
On top of this, TASCO Berhad's Chairman, Mr. Lee Check Poh, was made Chief Regional Officer of the South Asia & Oceania Region ("SAOR") for the Yusen Logistics Group. He is in charge of a total of 15 countries throughout the region which are readily sharing relevant information and best practices with one another. He will be in a position to further help shape the future of the Group in a more effective manner.

Moving forward, while TASCO has some 40 plus years to our name and a solid understanding of the logistic business, rest assured that we will not rest on our laurels but will evolve to remain relevant to our target audiences amidst the fast changing global landscape and new market realities. We are confident that as we work hard to understand our customers' expectations and meet their needs in innovative ways, this will reinforce our position as a key logistics player and open up new opportunities to us. A bright future lies ahead of us.

Lim Jew Kiat
Managing Director
25 July 2017

THE SECRETS TO OUR SUCCESS

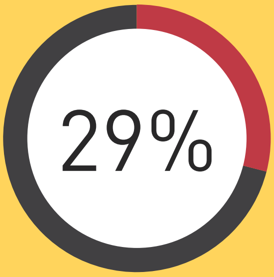
"...are to focus on the 10 Basic Core Fundamentals that we have built and developed throughout the years. We realised the importance of these fundamentals and we will continue to leverage on these core fundamentals to strengthen our market position and to enhance our shareholders' values..."



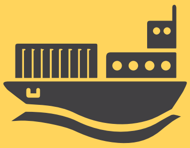
BUSINESS AT A GLANCE

REVENUE RATIO FYE 31.03.2017 | REVENUE FYE 31.03.2017

AIR FREIGHT FORWARDING
- ✔ Air Freight Services

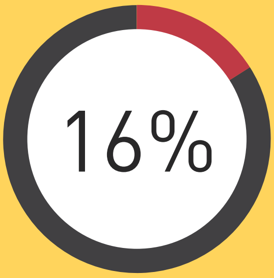


RM170.4 million



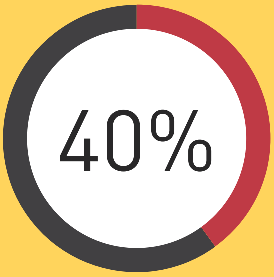
OCEAN FREIGHT FORWARDING DIVISION
- ✔ Sea Freight Services

ORIGIN CARGO ORDER & VENDOR MANAGEMENT DIVISION
- ✔ Buyer Consolidation Services



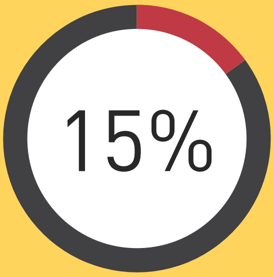
RM92.1 million

CONTRACT LOGISTICS DIVISION
- ✔ Customs Clearance
- ✔ Haulage Transportation
- ✔ Warehousing Services
- ✔ Warehouse Inplant Services



RM235.7 million

TRUCKING DIVISION
- ✔ Domestic Trucking
- ✔ International Trucking



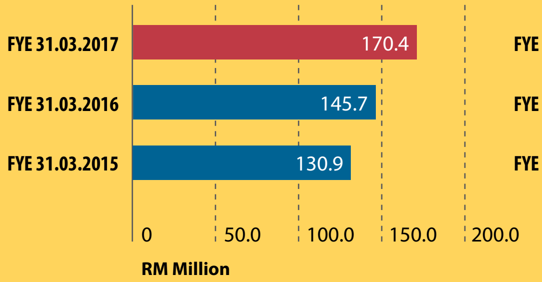
RM86.2 million

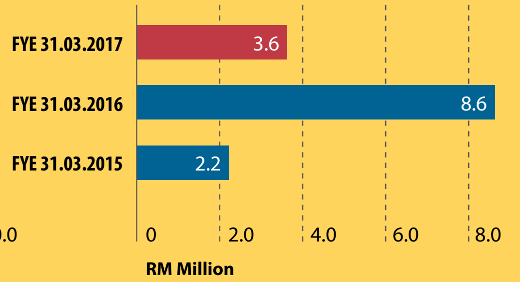
Notes:
1. **Characteristics of International Business Solutions:**
   Minimum capital investment; Not highly regulated; Requires extensive international networks; Collaboration with foreign agents under a common IT system.
2. **Characteristics of Domestic Business Solutions:**
   High capital investment; Highly regulated; Requires extensive domestic networks; Support with proper resource planning under multiple IT systems.

REVENUE (MILLION RM)

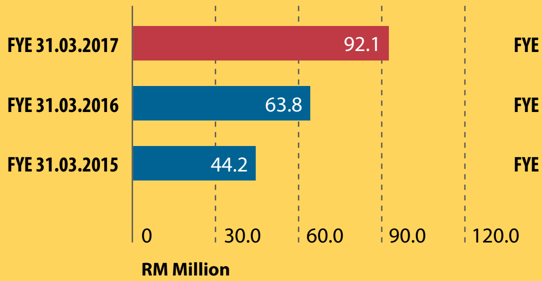
PROFITS FROM OPERATIONS (MILLION RM)

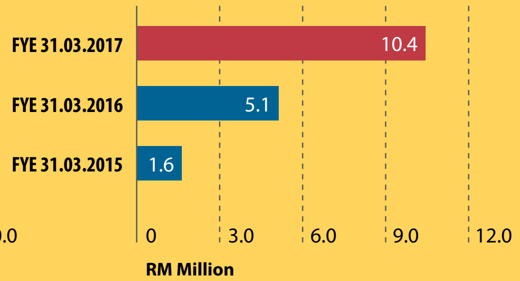
RESOURCE FACILITIES

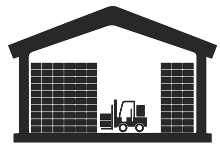




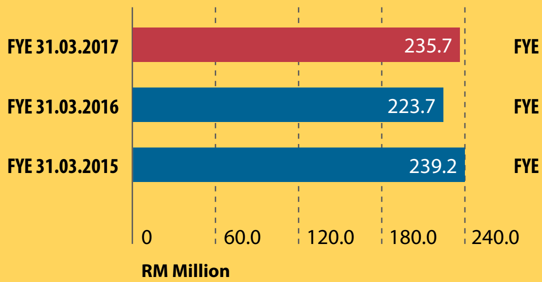
>300 Units
Prime Movers & Trucks

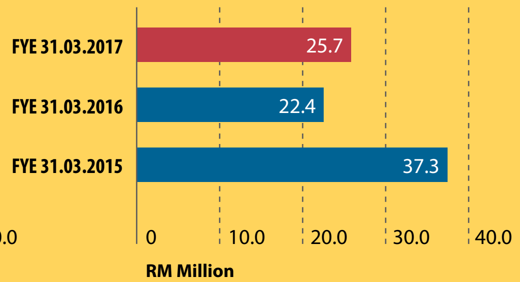


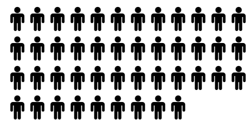




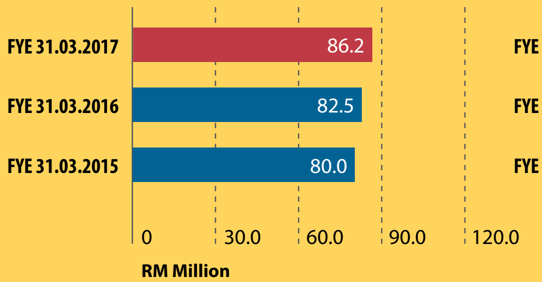
>200,000m²
Warehouse Space

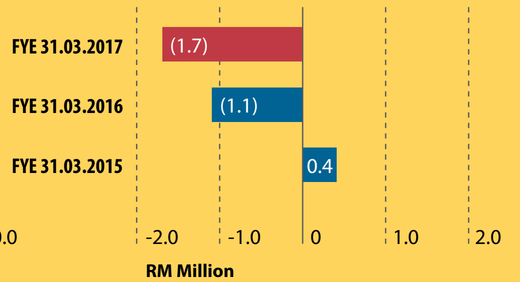






Domestic: >1,600
Worldwide: >55,000*
Employees





21 Logistics Centres
Domestic Network

514 Locations under the
Global Network

* Under the global network of NYK Group

CORPORATE INFORMATION

BOARD OF DIRECTORS

Lee Check Poh
Non-Independent Executive Chairman

Lim Jew Kiat
Non-Independent Managing Director

Tan Kim Yong
Non-Independent Deputy Managing Director

Masaki Ogane
Non-Independent Executive Director

Yasushi Ooka
Non-Independent Non-Executive Director

Lee Wan Kai
Non-Independent 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 PLT
Chartered Accountants
Wisma Selangor Dredging
11th 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

BOARD OF DIRECTORS

Lee Check Poh

Non-Independent Executive Chairman
Aged 68, Malaysian

Lim Jew Kiat

Non-Independent Managing Director
Aged 56, Malaysian

Tan Kim Yong

Non-Independent Deputy Managing Director
Aged 55, Malaysian

Masaki Ogane

Non-Independent Executive Director
Aged 48, Japanese

Yasushi Ooka

Non-Independent Non-Executive Director
Aged 55, Japanese

Lee Wan Kai

Non-Independent Executive Director
Aged 41, Malaysian

Kwong Hoi Meng

Independent Non-Executive Director
Aged 50, Malaysian

Raymond Cha Kar Siang

Independent Non-Executive Director
Aged 46, Malaysian

Raippan s/o Yagappan @ Raiappan Peter

Independent Non-Executive Director
Aged 73, Malaysian

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 5 years other than traffic offences, if any.

Lee Check Poh

Non-Independent Executive Chairman
Aged 68, Malaysian, Male

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

TRAINING
The Companies Act 2016: Dedicated Seminar on Constitution of Companies

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
- Was appointed as an Executive Director and later as the Managing Director of Sony Logistics (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

Lim Jew Kiat

Non-Independent Managing Director
Aged 56, Malaysian, Male

DATE OF APPOINTMENT
17 February 2011

QUALIFICATION
- Malaysia Certificate of Education

OTHER DIRECTORSHIP IN PUBLIC COMPANY
None

TRAINING
Workshop on "Enhancing Capabilities And Quality Performance of Logistics Service Provider"

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 the Group, he was involved in sales, dealing in courier services, chemicals and computers

Tan Kim Yong

Non-Independent Deputy Managing Director
Aged 55, Malaysian, Male

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

TRAINING
Workshop on "Enhancing Capabilities And Quality Performance of Logistics Service Provider"

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

PROFILE OF BOARD OF DIRECTORS

Masaki Ogane

Non-Independent Executive Director
Aged 48, Japanese, Male

Date of Appointment
4 April 2014

Qualification
- Bachelor of Laws (Senshu University, Japan)

Other Directorship in Public Company
None

Training
The Companies Act 2016: Dedicated Seminar on Constitution of Companies

EXPERIENCE

- Currently appointed as the Director in charge 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

Yasushi Ooka

Non-Independent Non-Executive Director
Aged 55, Japanese, Male

Date of Appointment
4 April 2014

Qualification
- Bachelor of Laws (Kobe University, Japan)

Other Directorship in Public Company
None

Training
Debunking the Myths of Directors and Secretaries' Roles, Responsibilities and Liabilities under the New Companies Act 2016

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)
- He was in Hong Kong for four years (2010 to 2014) before being appointed as an Executive Director of the Company

Lee Wan Kai

Non-Independent Executive Director
Aged 41, Malaysian, Male

Date of Appointment
19 August 2013

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

Other Directorship in Public Company
None

Training
- Workshop on "Enhancing Capabilities And Quality Performance of Logistics Service Provider"
- Project Management and Compliance: Planning, Scheduling and Control

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

Kwong Hoi Meng

Independent Non-Executive Director
Aged 50, Malaysian, Male

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

Training
- GST Conference
- 2017 Budget Seminar
- Comparative Analysis of the PERS, MPERS and MFRS Frameworks and Selected New Topics in the MPERS Framework

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

Raymond Cha Kar Siang

Independent Non-Executive Director
Aged 46, Malaysian, Male

Date of Appointment
30 October 2007

Qualification
LLB (Hons) Malaya (University of Malaya)

Other Directorship in Public Company
None

Training
Debunking the Myths of Directors and Secretaries' Roles, Responsibilities and Liabilities under the New Companies Act 2016

EXPERIENCE
- Appointed as an Independent Director in year 2007. He is 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

Raippan s/o Yagappan @ Raiappan Peter

Independent Non-Executive Director
Aged 73, Malaysian, Male

Date of Appointment
30 October 2007

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

Other Directorship in Public Company
None

Training
Fraud Risk Management Workshop

EXPERIENCE
- Appointed as an Independent Director in year 2007. He is 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

Haris Fazail Bin Haroon
Age 52/Malaysian/Male
Corporate Director
Transport and Haulage Group

- Joined the company in 1995 as an Executive
- Appointed as Corporate Director in 2011
- In charge of the Transport and Haulage Group
- 22 years of working experience in the trucking business

Malcolm John Waddell
Age 57/British/Male
Corporate Director
Business Development - Non-Japanese

- Joined the Company in 2010 as Corporate Director
- In charge of Business Development of Non-Japanese Total Logistics Sales
- 36 years of experience in international business development and supply chain solutions

Sung Boon Leong
Age 59/Malaysian/ Male
Corporate Director
Northern Region Head

- Joined the Company in 1989 as an Officer
- Appointed as Corporate Director in 2016
- In charge of Northern Region branches
- 28 years of logistics experience working in the Company

Mohd Suffian Bin Mohd Said
Age 49/Malaysian/Male
Corporate Director
Customs Clearance Group

- Joined the Company in 2008 as Deputy General Manager
- Appointed as Corporate Director in 2016
- In charge of Customs Clearance Group
- 26 years of logistics and supply chain experience

Dorairaj A/L Sengaram
Age 51/Malaysian/Male
Corporate Director
Warehouse Group

- Joined the company in 2011 as General Manager
- Appointed as Corporate Director in 2016
- In charge of Warehouse Group
- 27 years of warehousing experience

Che Wui Ching
Age 43/Malaysian/Female
Corporate Director
Planning Group

- Joined the Company in 1999 as an Assistant Supervisor
- Appointed as the Corporate Director in 2016
- In charge of the Planning Group
- 20 years of working experience in accounts and finance

Masanori Takahashi
Age 47/Japanese/Male
General Manager
Total Logistics Sales Division - Japanese sales

- Joined the company in 2015 as General Manager
- Joined Yusen Air & Sea Service Company in 1994
- In charge of Japanese Total Logistics Sales
- 23 years of working experience in air freight forwarding and ocean freight forwarding business
- Worked for Yusen Japan, Yusen USA and Yusen Mexico before being assigned to Malaysia

Lim Chin Lee
Age 45/Malaysian/Male
General Manager
Total Logistics Sales Division – Non- Japanese Sales

- Joined the Company in 2000 as an Executive
- Promoted to General Manager in 2016
- In charge of Non-Japanese Total Logistics Sales
- 19 years working experience in total logistics sales

Kong Pui Kin
Age 47/Malaysian/Male
General Manager
Air Freight Forwarding Division

- Joined the Company in 2012 as Deputy General Manager
- Promoted to General Manager in 2016
- In charge of Air Freight Forwarding
- 11 years of air freight forwarding experience

Lawrence Quek Hwai Choo
Age 49/Malaysian/Male
Deputy General Manager
Southern Region Head

- Joined the company in 2010 as Manager
- Promoted to Deputy General Manager in 2016
- In charge of Southern Region branches
- 29 years of logistics working experience

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 practice 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

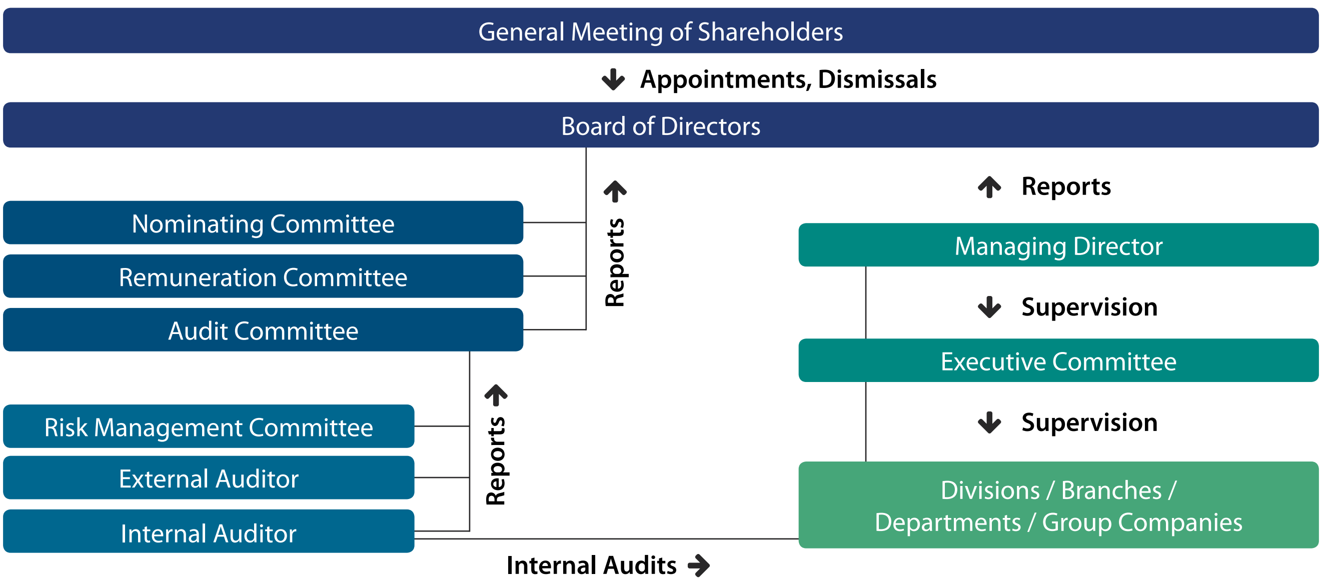
As at 30 June 2017, the Board comprises 9 members, including 3 Independent Non-Executive directors. The Board had also established the following 3 Board Committees and at management level a Risk Management Committee to assist the Board in carrying out its fiduciary duties. The Board Committees are:

(a) Nominating Committee
(b) Remuneration Committee
(c) 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 of the Company was headed by the Managing Director comprises 15 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.



1. Board of Directors

1.1 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. The Board Charter would be reviewed periodically and updating in accordance with the needs of the Company and any new regulation that may have an impact on the discharge of the Board's responsibility.

1.2 Whistleblowing Policy and Procedure

The Board encourages employees within the Group to report suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or abuse involving resources of the Company. The Whistleblowing Policy and Procedure adopted by the Company provides and facilitates a mechanism for any individual to report concerns about any suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or abuse.

1.3 Composition of the Board

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 2017 are as follows:

Name	Status of Directorship	Independent	Meeting Attended
Lee Check Poh (Chairman)	Executive	No	6/6
Lim Jew Kiat (Managing Director)	Executive	No	6/6
Tan Kim Yong (Deputy Managing Director)	Executive	No	6/6
Masaki Ogane	Executive	No	6/6
Yasushi Ooka	Non-Executive	No	6/6
Lee Wan Kai	Executive	No	6/6
Raymond Cha Kar Siang	Non-Executive	Yes	6/6
Kwong Hoi Meng	Non-Executive	Yes	6/6
Raippan s/o Yagappan @ Raiappan Peter	Non-Executive	Yes	6/6

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:

a) 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.

1.4 Succession Planning

The Board recognised the importance of succession planning to ensure the sustainability and continuity of the Group. All candidates appointed to senior management positions are of sufficient calibre and that there are programmes to provide for the orderly succession of senior management. Succession planning also includes appointing, assessing, training, fixing the compensation of and where appropriate, replacing senior management when necessary.

1.5 Board meeting

During the financial year, six (6) 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 the 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 underlying factors of directors' commitment to the Company are devotion of time and continuous improvement of knowledge and skill sets.

None of the Directors held directorship in other listed company. Adequate time and attention has been contributed to the Company's business affairs.

All the Directors have full attendance at Board and Board Committee meetings held during the financial year. Details of the attendance are set out in the relevant sections of this Statement.

To facilitate the Directors' planning, Board and Board Committee meetings are usually fixed immediately after the end of the financial year end.

1.6 Qualified Company Secretaries

The Board would ensure the Company is supported by qualified, experienced and competent company secretary. The Company Secretary is capable as official liaison party to TASCO to communicate, prepare, and submit statutory returns with the Companies Commission of Malaysia ("CCM") in compliance with the statutory requirements under the Malaysian Companies Act, 2016 ("Act").

The Company secretaries play an important role in advising the Board on issues relating to corporate compliance with the relevant laws, rules, procedures and regulations affecting the Board and the Group, as well as best practices of governance. The Directors have ready and unrestricted access to the advice and services of the Company Secretaries. The Board is regularly kept up to date on and apprised of any regulations and guidelines.

The Company Secretaries are responsible for advising the Directors of their obligations and duties to disclose their interest in securities, disclosure of any conflict of interest in a transaction involving the Group, prohibition on dealing of securities and restrictions on disclosure of price-sensitive information.

The Company Secretaries also safeguard all statutory books and records of the Company maintain the statutory registers of the Company. Company Secretaries also ensure all Board meetings are properly convened, and that accurate and proper records of the proceedings and resolutions passed are recorded. In addition, the Company Secretaries also ensure that any change in the Company's statutory information should be duly completed in the relevant prescribed forms and lodged with the CCM within the stipulated timeline.

The appointment and removal of the Company Secretary shall be within the purview of the Board.

1.7 Appointment and Re-election of Directors

The Board does not set specific criteria for assessment and selection of director candidate. However, consideration would be taken on the need to meet the regulatory requirements such as the Act, the LR and other criteria discussed in the following paragraphs.

The Nominating Committee is empowered to identify and recommend new appointments to the Board. The potential candidates may be proposed by existing directors, senior management staff, shareholders or third party referral. Under normal circumstances, the Nominating Committee would review new board candidates proposed by the Executive Directors to fill vacancy arises from resignation, retirement or any other reasons and make the recommendation to the Board thereon for decision. Based on the recommendation of the Nominating Committee, the Board would evaluate and decide on the appointment of the proposed candidate.

Upon receipt of the proposal, the Nominating Committee is responsible to conduct an assessment and evaluation on the proposed candidate. The assessment/evaluation process may include, at the Nominating Committee's discretion, reviewing the candidate's resume, curriculum vitae, candidate's qualifications as well as formal or informal interview at the Nominating Committee's discretion.

In discharging its duty, the Nominating Committee will assess the suitability of an individual to be appointed to the Board by taking into consideration the individual's skills, knowledge, expertise, experience, strength of qualities and competency and understanding of the business environment. The Company has a gender diversity policy in place but does not have a female director. The Company will consider one who is of right quality, experience and qualification as and when there is a new appointment to the Board.

For appointment of Independent Directors, the Nominating Committee would also assess whether the candidate meets the requirements for independence based on criteria prescribed in the LR.

In accordance with the Company's Constitution (that is, under that part of the Constitution of the Company which is referred to as the Articles of Association of the Company), all newly appointed Directors are subject to retirement and are entitled for re-election at the first annual general meeting ("AGM") after their appointment. At every subsequent AGM, 1/3 of the existing Directors including the Managing Director, or if their number is not three (3) or a multiple of three (3), then the number nearest to one third shall retire from office provided always that all Directors shall retire from office once at least in each three (3) years, but shall be eligible for re-election. An election of Directors shall take place every year. The election of each Director is voted separately.

Any person appointed by the Board either to fill a casual vacancy or as an addition to the existing Directors, shall hold office only until the next AGM and shall be eligible for re-election.

Following the enforcement of the Act on 31 January 2017, Director who is over the age of 70 is no longer subject to re-appointment by shareholders on yearly basis.

Mr. Raippan s/o Yagappan @ Raiappan Peter who was above the age of 70 years and was re-appointed pursuant to Section 129(6) of the Companies Act, 1965 at the last AGM held on 28 September 2016 was to hold office until the conclusion of the forthcoming AGM. The Board have proposed to table a resolution to re-appoint him as Director of the Company at the coming AGM and once he was re-appointed, he would subject to retirement by rotation once in every three (3) years according to the provision of the Constitution of the Company.

1.8 Directors' Training

The Board recognizes the needs to attend training to enable them to discharge their duties effectively.

The Board has empowered the Directors of the Company to determine their own training requirements as they consider necessary or deem fit and expedient 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.

The Board is regularly updated by the Company Secretary on the latest updates and major amendments made to the LR and the Act and other regulatory requirements relating to the discharge of the Directors' duties and responsibilities.

2. Board Committees

In discharging its fiduciary duties, the Board has set up various committees:

2.1 Audit Committee

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 Audit Committee comprises soley Independent Non-Executive Directors. The role of the Audit Committee is to support the Board in overseeing the processes for production of the financial data, review the financial reports and the internal control of the Group. The composition of the Audit Committee together with its reports are presented in Audit Committee Report in this Annual Report.

2.2 Nominating Committee

The Nominating Committee was set up on 6 December 2007 and the terms of reference of the Nominating Committee and the nomination and election process of directors are made available for reference in the Company's website www.tasco.com.my.

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 2017 are as follows:

Name	Status of Directorship	Independent	Meeting Attended
Raymond Cha Kar Siang	Non-Executive	Yes	1/1
Kwong Hoi Meng	Non-Executive	Yes	1/1
Raippan s/o Yagappan @ Raiappan Peter	Non-Executive	Yes	1/1

The Nominating Committee was set up by the Board to ensure that it has an appropriate balance, size and the required mix of skills, experience and core competencies to govern the organization towards achieving its intended goals and objectives. The Nominating Committee shall propose new candidates for the Board and assess Directors on an ongoing basis.

2.2.1 Annual Assessment of Existing Directors

The director who is subject to re-election and/or re-appointment at next AGM shall be assessed by the Nominating Committee before recommendation is made to the Board and shareholders for the re-election and/or re-appointment. Appropriate assessment and recommendation by the Nominating Committee would be based on the yearly assessment conducted.

The Nominating Committee will review and assess the mix of skills, expertise, composition, size and experience of the Board directors. The Nominating Committee will also review and assess the performance of each individual director, the effectiveness of the Board and the Board Committees.

The Nominating Committee had met to review 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.

2.2.2 Assessment on Independence of Directors

In line with the Principle 3 of the Code, the Board, with the assistance of the Nominating Committee, is required to review the independence of the Company's Independent non-Executive Directors on an annual basis. The Board adopts the definition of an 'independent Non-Executive Director' as provided by the LR, and such definition is used as criteria for Directors' independence assessment whereby Directors are required to provide written confirmation on their independence on yearly basis. In addition, a consideration would be given to assess whether the independent directors are able to act independely of management and free from any businesses or other relationship.

Any director who considers that he/she has or may have a conflict of interest or a material personal interest or a director or indirect interest or relationship that could reasonably be considered to influence in a material way the Directors' decisions in any matter concerning to the Company is required to immediately disclose to the Board and to abstain from participating in any discussion or voting on the respective matter.

2.2.3 Tenure of Independent Directors

Recommendation 3.2 of the Code recommends that the tenure of an independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an independent Director may continue to serve on the Board subject to the re-designation of the Independent Director as a Non-Independent Director.

Recommendation 3.3 of the Code also recommends that the Board must justify and seek shareholders' approval in the event it retains as an Independent Director, a person who has served in that capacity for more than nine (9) years.

The Board does not have term limit for its Independent Directors and is of the view that the independence of the Independent Directors should not be determined solely or arbitrary by their tenure of service. The Board believes that continued contribution will provide stability and benefits to the Board and the Company as a whole, especially their invaluable knowledge of the Group and its operations gained through the years. The caliber, qualification, experience and personal qualities, particularly of the Director's integrity and objectivity in discharging his responsibilities in the best interest of the Company predominantly determines the ability of a Director to serve effectively as an Independent Director.

The Board is also confident that the Independent Directors themselves, after having provided all the relevant confirmations on their independence, will be able to determine if they can continue to bring independent and objective judgement on Board deliberations and decision making.

The Independent Directors of the Company who have served for a cumulative term of more than nine (9) years are Mr. Kwong Hoi Meng, Mr. Raymond Cha Kar Siang and Mr. Raippan s/o Yagappan @ Raiappan Peter.

The Board has decided to retain them as Independent Directors notwithstanding their services for a cumulative term of more than nine (9) year as Independent Directors after assessment and recommendation by the Nominating Committee.

Nevertheless, in line with the Recommendation 3.3 of the Code, the Board will seek approval from the shareholders of the Company at the forthcoming AGM to support the Board's decision to retain them as Independent Director based on the following justifications:-

- They have fulfilled the criteria under the definition of Independent Director as stated in the LR and thus they would be able to bring an element of objectivity to the Board;
- They have vast and diverse range of experiences in various industries and therefore would be able to provide constructive opinion, independent judgment and to act in the best interest of the Company and shareholders;
- They have continued to exercise their independence and due care during their tenure of service; and
- They have shown great integrity and independence, and had not entered into any related party transactions with the Group.

2.3 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 2017 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

The 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.

Pursuant to Section 230(1) of the Act, the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.

The amount of Directors' fee for the financial year ended 31 March 2017 proposed for the shareholders' approval at the forthcoming AGM is RM96,000. In addition, shareholder's approval will also be sought at the forthcoming AGM for the payment of Directors' benefit (excluding Directors' fees) to the non-executive directors up to an amount of RM30,000 from 1 February 2017 until the next AGM of the Company.

The details of the remuneration of Directors of the Company and Group for the financial year ended 31 March 2017 by category and in the band of RM50,000 are as follows:

Received from the Company

Range of Remuneration	Executive Directors	Non-Executive Directors
Below RM50,000	-	4
RM250,001 to RM300,000	1	-
RM450,001 to RM500,000	1	-
RM550,001 to RM600,000	1	-
RM750,001 to RM800,000	1	-
RM850,001 to RM900,000	1	-

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

	Fees RM	Salaries and other emoluments RM	Total RM
Executive Directors	-	2,982,304	2,982,304
Non-Executive Directors	96,000	Nil	96,000

Received from the Group

Range of Remuneration	Executive Directors	Non-Executive Directors
Below RM50,000	-	4
RM250,001 to RM300,000	1	-
RM550,001 to RM600,000	1	-
RM750,001 to RM800,000	1	-
RM800,001 to RM850,000	1	-
RM850,001 to RM900,000	1	-

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

	Fees RM	Salaries and other emoluments RM	Total RM
Executive Directors	337,920	3,024,544	3,362,464
Non-Executive Directors	96,000	Nil	96,000

3. Accountability and Audit

3.1 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 Act, 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 Act.

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.

3.2 Risk Management Committee

The Board recognizes the importance of a sound system of internal control for the Group including risk assessment and acknowledges its ultimate responsibilities in maintaining the same.

The Company adopts the COSO (Committee of Sponsoring Organisations of the Treadway Commission) control framework throughout our audit implementation as a basis for assessing the adequacy and effectiveness of the Company's risk and control processes. The Company has established a Risk Management Committee at management level which comprises 21 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.

	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.

3.3 Internal Control System

The Directors recognises 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.

3.4 Internal Audit Function

The Board acknowledges its responsibility for maintaining a sound system of internal controls, which provides reasonable assessment of effective and efficient operations, internal financial controls and compliance with laws and regulations as well as with internal procedures and guidelines.

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 was 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.

During the financial year, the Internal Auditor conducted audit in the areas of Trucking, OFF & OCM, Invoicing, Warehouse, Custom Clearance, Haulage, and Procurement. They also conducted Follow-up Audit to ensure the relevant action plans have been carried out for operations efficiency. During which, the IA also tabled the Audit Planning Memorandum to the Board for approval.

The Group incurred RM49,240 of internal audit costs during the financial year ended 31 March 2017.

The Statement of Risk Management and Internal Control, set out on page 45 and 46 of this Annual Report, which has been reviewed by external auditors, provide an overview of the state of internal controls within the Group. Further information on the internal audit function and its activities are set out on page 44 of this Annual Report.

3.5 Relationship with the Auditors

The Board has maintained a professional and transparent relationship with the Group's auditors, both external and internal. The Audit Committee seeks regular assurance on the effectiveness of the internal control systems through independent appraisal by the auditors in ensuring compliance with the applicable accounting standards in Malaysia. Liaison and unrestricted communication exists between the Audit Committee and the external auditors.

The external auditors would be re-appointed annually subject to annual evaluation by the Audit Committee. As part of the evaluation process, the Audit Committee will obtain feedback from the management team on the quality of the audit service of the external auditors. Audit partner in-charge of a public listed company should be rotated (within the audit firm) every five years to ensure independence of audit.

The Board has evaluated the performance of the auditors based on the relevant criteria which included adequacy of resources of the firm, quality of service and competency of the staff assigned to the audit, the external auditors' independence and the costing. Being satisfied with Messrs Mazars PLT's performance and audit independence, the Audit Committee recommended their re-appointment as external auditors for the financial year ending 31 March 2018.

Also, the Audit Committee has obtained comfirmation from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement for the financial year in accordance with the terms of all relevant professional and regulatory requirements.

The Board at its meeting held on 23 February 2017 approved the Audit Committee's recommendation and was satisfied with Messrs Mazars PLT's suitability and audit independence thus agreed to put forward a resolution on their appointment to the shareholders for approval at the forthcoming AGM. For the financial year ended 31 March 2017, statutory audit fees incurred by the Company on Group basis is RM176,927 while the review of quarterly financial statements incurred by the Company on Group basis is RM68,000.

The Board, with the recommendations by the Audit Committee, will ensure that all quarterly announcements and annual reports present a balanced and understandable assessment of the Group's financial position and prospect. The Board is also required by the Act to prepare financial statements that give a true and fair view of the state of affairs, including the cash flows and results of the Group and of the Company for the financial year. A statement by the Board of its responsibilities for preparing the financial statements is set out on page 39 of this Annual Report.

4. Shareholders

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. 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.

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 : freddie.lim@tasco.com.my

Mr. Tan Kim Yong
(Deputy Managing Director)
Telephone number : 03-51018888
Fax number : 03-55488288
Email address : ky.tan@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.

The Board takes note of the recommendation by the Code on the adoption of electronic voting and the LR that the resolutions table of general meeting have to be decided by way of poll. Announcement will be made on the detailed results showing the number of votes cast for and against each resolution passed by poll voting.

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.

5. Gender Diversity Policy

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.

6. 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.

7. 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 2017.

COMPOSITION AND ATTENDANCE

As at the date of this Annual Report, the composition of the Audit Committee ("AC") is as follows:

Name	Status of Directorship	Independent	Meeting Attended
Kwong Hoi Meng (Chairman)	Non-Executive	Yes	5/5
Raymond Cha Kar Siang	Non-Executive	Yes	5/5
Raippan s/o Yagappan @ Raiappan Peter	Non-Executive	Yes	5/5

The AC has 3 members, all of whom are Independent Directors. This meets the requirements of the Corporate Governance Code.

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.

The full terms of reference of the Audit Committee can be viewed at the Company's website.

MEETINGS

The AC met 5 times during the financial year ended 31 March 2017. A quorum of two (2) independent directors was always met for the AC meetings.

The lead audit partner of the External Auditors responsible for the Group audit attended two (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 ("RRPT").

On annual basis, the Group Internal Auditor presented their audit plan to the Committee for review and approval. The audit findings and report are presented to the AC members at all the AC meetings held during the financial year ended 31 March 2017. Their reports cover the status and progress of their assignments, audit recommendations, management's response and the outcome of the procedural review on RRPT 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 2016.

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;
- 5 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 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.

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.

1. AUDIT FEES AND NON-AUDIT FEES

During the financial year ended 31 March 2017, the amount of audit fees and non-audit fees paid or payable by the Company and the Group to external auditors are as follows:

	Group RM	Company RM
Audit Fees	176,927	97,000
Non-Audit Fees	68,000	68,000

2. 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.

3. 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 2017 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 and YLSG	Mr. Masaki Ogane[1], Mr. Yasushi Ooka[2] and NYK Group[3]	Sales: 98.229 Purchases: 79.824
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 and YLSG	Mr. Masaki Ogane[1], Mr. Yasushi Ooka[2] and NYK Group[3]	266
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 and YLSG	Mr. Masaki Ogane[1], Mr. Yasushi Ooka[2] and NYK Group[3]	312
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 and YLSG	Mr. Masaki Ogane[1], Mr. Yasushi Ooka[2] and NYK Group[3]	3.951
5	Provision of freight services by NYK Group's subsidiaries to TASCO.	TASCO/NYK Group, NYK, YLK and YLSG	Mr. Masaki Ogane[1], Mr. Yasushi Ooka[2] and NYK Group[3]	3.182
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. • Rental received	TASCO/NYK Group, NYK, YLK and YLSG	Mr. Masaki Ogane[1], Mr. Yasushi Ooka[2] and NYK Group[3]	300

Notes:
1. Mr. Masaki Ogane was seconded to TASCO from YLK and was appointed as Executive Director on 4 April 2014.
2. 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 1/4/2015.
3. NYK denotes Nippon Yusen Kabushiki Kaisha, the ultimate holding company of TASCO.
4. NYK Group denotes NYK's subsidiary companies and affiliates.

2016/17 EVENTS CALENDAR


28 SEPTEMBER 2016

A warehouse visit in our Shah Alam Logistics Centre was arranged for a group of shareholders.


28 SEPETMBER 2016

The Company held its 41st Annual General Meeting in our Shah Alam Head Office.

16 OCTOBER 2016

Our Company was awarded the "Best Customer Service & Complaints Management For General Cargo" by Suruhanjaya Pengangkutan Awam Darat (SPAD) during the Gala Dinner & Industry Awards held in the Kuala Lumpur Convention Centre in conjunction with SPAD Land Transport Symposium 2016.


19 OCTOBER 2016

Yusen Logistics Co., Ltd. President, Mr. Kenji Mizushima visited our Shah Alam Head Office and he was given a briefing and a tour of our premises.


17-18 NOVEMBER 2016

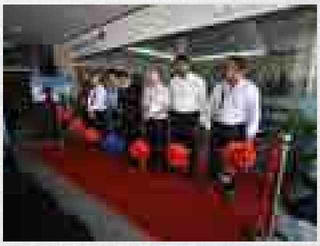
Our Company hosted the Nestle South Asia Oceania Region Business Development and Operations Workshop.

29 NOVEMBER 2016

Our Company received an Appreciation Award from Employees Provident Fund (EPF) Selangor for being the "Best Employer For Year 2015" at their Award Ceremony. Our Company have no outstanding EPF contributions from 2015 to October 2016 and also have none non-compliance item during the selection period.

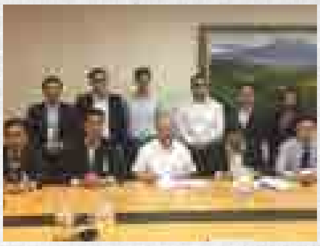

21 DECEMBER 2016

A Safety Training was conducted in Bangi Logistics Centre 2. A total of 25 participants attended the training conducted by our Safety Officer, Encik Shahar.



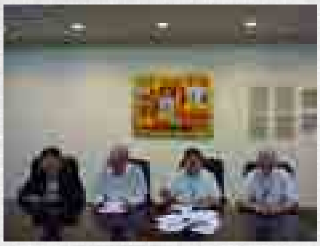

21 DECEMBER 2016

MasKargo Sdn Bhd categorized our Company as Platinum Priority Business Centre member in a ceremony held at KLIA.




9 JANUARY 2017

Our Company entered into a Sales and Purchase Agreement with Mr Chang Kok Fai and Mr Chan Sun Cheong for the acquisition of 2,000,000 ordinary shares in Gold Cold Transport Sdn Bhd ("GCT") representing a 100% equity interest in GCT.

23 JANUARY 2017

Our Company entered into the following agreements with Swift Integrated Logistics Sdn Bhd for:

Sales and Purchase Agreement for the acquisition of six (6) parcels of leasehold lands all located in Pulau Indah measuring approximately 159,935 square metres (approximately 39.52 acres) in total.

Share Sale Agreement for the acquisition of 3,000,000 ordinary shares each and 2,800,000 redeemable convertible preference shares each in MILS Cold Chain Logistics Sdn Bhd ("MCCL"), representing the entire issued and paid-up capital of MCCL.

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:

Global Transformation 2015 to 2025

Create a global Brand, Vision and Values Roll Out (25th November, 2016 in Tokyo)

Transform from a "group" to a "network" of strong Operation Companies globally

Our Value of 3 C's - "Connected", "Committed", "Creative"

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:

Corporate Social Responsibility

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. During the financial year, our staffs attended trainings to update their knowledge and improve their skills. The trainings attended are; "Pematuhan Peraturan Peraturan Kualiti Alam Sekeliling" (16 February 2017), First Aid Awareness Course (20 February 2017) and Fire Fighting and Drill Training (21 February 2017). Other trainings provided for the staffs are; Defensive driving training in all regions, Dangerous goods refresher course (DGRR) and CPR Training for our Shah Alam Logistics Centre management and staffs.

The firefighting 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) Dangerous Goods Transportation of Scheduled Wastes Training

In order to improve the drivers' skills and knowledge to transport Dangerous Goods Cargo, we had organized training programme for Hazardous Material Transport Driver course on 19 January 2017 and a dedicated truck's driver training on 20 March 2017

c) Certification of Forklift Operators

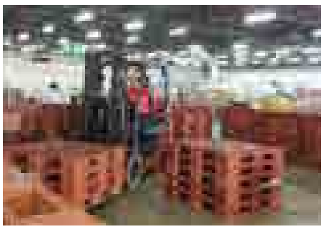
Safety and security trainings programme were conducted at all the branches / warehouses aimed at creating awareness and to promote safety and security among the employees and the customers. As a certified TAPA TSR (Trucking Security Requirements) & FSR (Facility Security Requirements), a safety and security awareness training was conducted in December 2016.

d) 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. As a certified TAPA TSR (Trucking Security Requirements) & FSR (Facility Security Requirements), a safety and security awareness training was conducted in December 2016.

e) 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.

a) IT Training Programme

In order to keep up with technology change, our staff computer literacy has been upgraded with continuously Microsoft training program. More than 600 employees have been trained in Microsoft Power Point, Words and Excel computer skills and email etiquette course. The Ocean Freight Forwarding Division IT system GDS was migrated to a global system YUNAS IT system, which has been used by the Air Freight Forwarding Division. YUNAS IT system was upgraded to allow the OFFD to use the said IT system for inter-related YUSEN Group companies to access the system for shipments and customer information. A YUNAS Migration Power User training was conducted on 20 January, 2017.

b) Internship Programme

Career Talk were held in Unisel, Uitm, Nottingham University in Semenyih, UTAR Perak, Tun Abdul Rahman University College during the year. The objective of having internship and Management Training Programmes is to let the candidates have the feel of practical real life working environment experiences.

Other collaborations with UNISEL, UPM, UiTM, SEGI, INTI, KDU, UCSI, UTAR, MUST and UNiKL for internship intake training programmes have been established as well.

c) Generate Programme

Our Company are working in line with the government initiatives of giving employment for school leavers, diploma and degree graduates in collaboration with GLO Asia, Training Minds, Intech and BSA.

DONATION

As a part of our company CSR activities, we had annually held a collection among our staff to be donated to orphanage homes during the fasting month. Our Company also contributed to the collection fund. For the financial year, a total of RM6,500 has been distributed to two orphanage homes. The staff and management visited the Rumah Anak Yatim AS – Solihin in Banting, Klang and distributed goodies bag and presented a cheque for RM5,000. The other recipient of a cheque of RM1,000 was Rumah OPAH.

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 STATEMENT

CORPORATE INFORMATION

DOMICILE	:	Malaysia
LEGAL FORM AND PLACE OF INCORPORATION	:	Public company limited by way of shares incorporated in Malaysia under the Companies Act 2016
REGISTERED OFFICE	:	802, 8th Floor Block C, Kelana Square 17 Jalan SS7/26 47301 Petaling Jaya Selangor Darul Ehsan
PRINCIPAL PLACE OF BUSINESS	:	Lot No.1A, Persiaran Jubli Perak Jalan 22/1, Seksyen 22 40300 Shah Alam Selangor Darul Ehsan

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2017.

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 year attributable to:-		
Owners of the Company	30,668,875	31,174,764
Non-controlling interests	187,176	-
	30,856,051	31,174,764

DIVIDENDS

During the financial year, the Company paid:

- a final single-tier dividend of 2.50 sen per ordinary share amounting to RM5,000,000 in respect of financial year ended 31 March 2016, and

- a single-tier interim dividend of 2.00 sen per ordinary share amounting to RM4,000,000 in respect of financial year ended 31 March 2017.

On 26 May 2017, the directors declare a final single-tier dividend of 2.50 sen per ordinary share amounting to RM5,000,000 in respect of the financial year ended 31 March 2017.

ISSUE OF SHARES AND DEBENTURES

There were no issuance of shares or debentures during the financial year.

SHARE OPTIONS

No option was granted to any person to take up unissued shares of the Company during the financial year.

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 18 and 19.

HOLDING COMPANY

At the end of the financial year, the directors regard Nippon Yusen Kabushiki Kaisha ("NYK"), a company incorporated in Japan, as the ultimate holding company.

SUBSIDIARIES

Details of the subsidiaries are set out in note 3 to the financial statements.

(i) There is no qualified auditor's report on the financial statements of any subsidiary for the financial year in which this report is made.

(ii) As at the end of the financial year, none of the subsidiaries hold any shares in the holding company or in other related corporations.

DIRECTORS

The directors in office during the period commencing from the beginning of the financial year to date of this 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

DIRECTORS' INTERESTS IN SHARES

The following directors, who held office at the end of the financial year, had interests in shares in the Company and its related corporations as follows:

	No. of ordinary shares			
	At 1.4.2016	**Additions**	**Sold**	**At 31.3.2017**
The Company				
Mr Lee Check Poh - deemed interest	19,660,876	-	-	19,660,876
Mr Tan Kim Yong - direct interest	60,000	-	-	60,000
Mr Lim Jew Kiat - direct interest	120,000	-	-	120,000
Mr Raymond Cha Kar Siang - direct interest	22,000	-	-	22,000
Mr Kwong Hoi Meng - direct interest	22,000	-	-	22,000
Mr Raippan s/o Yagappan @ Raiappan Peter - direct interest	22,000	-	-	22,000
Mr Lee Wan Kai - direct interest	20,000	-	-	20,000

DIRECTORS' INTERESTS IN SHARES (CONT'D)

	← No. of ordinary shares			→
	At 1.4.2016	Bought	Sold	At 31.3.2017
Subsidiary - Omega Saujana Sdn Bhd				
Mr Lee Check Poh - direct interest	49,000	-	-	49,000
Subsidiary - Piala Kristal (M) Sdn Bhd				
Mr Lee Check Poh - direct interest	49,000	-	-	49,000

DIRECTORS' BENEFITS

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.

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by the directors shown in the financial statements or the fixed salary of a full-time employee of the Company; and other benefits as set out below) by reason of a contract made by the Company or a related corporation with a 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.

Directors remuneration and other benefit are as follows:

	Company RM	Subsidiaries RM
Directors' fee	96,000	337,920
Other emoluments	2,655,066	42,240
Contribution to retirement benefit scheme	327,238	-

OTHER INFORMATION

Before the financial statements were made out, the directors took reasonable steps:

(i) to ascertain that appropriate 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 all known bad debts had been written off and adequate allowance had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to realised in the ordinary course of business including their value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

(i) which would render the amount written off for bad debts or the amount of allowance for doubtful debts inadequate to any substantial extent; or

(ii) which would render the values attributed to the current assets in the financial statements 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.

OTHER INFORMATION (Cont'd)

At the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability which has arisen since the end of the financial year.

No contingent or other liability 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 Group or of the Company to meet their obligations when they fall due.

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 which would render any amount stated in the financial statements misleading.

In the opinion of the directors:

(i) the results of the operations of the Group and of the Company during 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.

AUDITORS

Auditors' remuneration is set out in note 22 to the financial statements.

The auditors, Mazars PLT, Chartered Accountants, have expressed their willingness to accept re-appointment.

APPROVAL OF THE DIRECTORS' REPORT

This report is approved by the board of directors, and signed on behalf of the board of directors in accordance with a directors' resolution.

LEE CHECK POH Director	**LIM JEW KIAT** Director

Kuala Lumpur

Date: 26 May 2017

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TASCO Berhad, which comprise the statements of financial position as at 31 March 2017 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 notes to the financial statements, including a summary of significant accounting policies, as set out on pages 63 to 118.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2017, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

- Revenue recognition

  The risk:

  The revenue of the Group and of the Company for the year ended 31 March 2017 amounted to RM584,401,969 and RM572,956,119, respectively.

  Approved auditing standards in Malaysia and International Standards on Auditing presume that there is a risk of fraud in revenue recognition. Also, the Company being engaged as a total logistics solutions provider, we have identified revenue recognition as a key audit matter, particularly in respect of the completeness and accuracy of recording of services rendered and the timing of revenue recognition with transactions occurring on or near year-end. Due to the significant volume of transactions, any errors may have a material impact on the financial statements.

  Our response:

  To address the risks identified, we assessed the design of the Group's key controls over revenue recognition and tested the operating effectiveness of these controls. We also performed substantive testing of revenue recorded during the year using sampling techniques. The procedures covered testing the accuracy and timing of recording individual transactions. We also tested manual journals posted to revenue to determine whether those postings were consistent with the Group's revenue recognition policy. For transactions close to the period end, we tested that cut-off procedures were appropriately applied.

- Impairment of loans and receivables

  The risk:

  As at 31 March 2017, the carrying amounts of the Group's and Company's trade and other receivables were RM149,288,848 and RM191,996,682, respectively. The collectability of these receivables are assessed on an ongoing basis. We have identified this to be a key audit matter as it requires management to make significant judgement in the assessment of realisation of these receivables based on their creditworthiness and past collection history.

  Our response:

  To address the risk identified, for those outstanding balance which are past due but not impaired, we checked collections received after year-end, and for uncollected amount we challenged management's assessment on the recoverability. We have also assessed customers' ageing profile by checking the accuracy of aged buckets.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises Directors' Report, and Statement on Risk Management and Internal Control, which we obtained prior to the date of this auditors' report, however, other information to be included in the Annual Report, are expected to be made available to us after that date.

Other information does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company 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 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Subsidiary of which we have not acted as auditors is disclosed in Note 3 to the financial statements.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

MAZARS PLT
LLP0010622-LCA
AF 001954
Chartered Accountants

FRANCIS XAVIER JOSEPH
02997/06/2018 J
Chartered Accountant

Kuala Lumpur

Date: 26 May 2017

Reference No.: MZ0090

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 RM	2016 RM
ASSETS			
Non-current assets			
Property, plant and equipment	2	236,013,691	238,772,986
Investment in associated company	4	3,722,221	3,953,884
Other investments	5	1,008,204	1,009,204
Total non-current assets		240,744,116	243,736,074
Current assets			
Inventories	6	125,471	156,353
Trade receivables	7	87,854,209	83,345,680
Other receivables, deposits and prepayments	8	82,604,073	16,338,437
Amount owing by immediate holding company	9	5,705,966	3,627,301
Amounts owing by related companies	11	9,504,779	4,710,501
Amount owing by associated company	12	-	5,088
Current tax assets		5,952,328	5,930,086
Fixed deposits with licenced banks	13	34,517,318	62,768,460
Cash and bank balances	14	47,182,418	29,817,185
Total current assets		273,446,562	206,699,091
TOTAL ASSETS		514,190,678	450,435,165

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 RM	2016 RM
EQUITY AND LIABILITIES			
Equity			
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		(847,130)	(613,269)
Exchange translation reserve		(766,063)	(112,044)
Retained earnings		240,076,728	218,407,853
Equity attributable to owners of the Company		340,665,443	319,884,448
Non-controlling interests		1,059,335	872,159
Total equity		341,724,778	320,756,607
Non-current liabilities			
Bank terms loans	16	33,208,034	29,783,903
Deferred tax liabilities	17	10,400,631	8,827,160
Total non-current liabilities		43,608,665	38,611,063
Current liabilities			
Trade payables	18	34,911,040	32,043,877
Other payables, deposits and accruals	19	70,909,775	30,160,263
Amount owing to immediate holding company	9	1,128,682	1,724,280
Amounts owing to related companies	11	4,659,489	3,275,503
Amount owing to associated company	12	164,774	343,778
Bank term loans	16	15,198,526	16,242,615
Current tax liabilities		1,884,949	7,277,179
Total current liabilities		128,857,235	91,067,495
Total liabilities		172,465,900	129,678,558
TOTAL EQUITY AND LIABILITIES		514,190,678	450,435,165

The accompanying notes form an integral part of the financial statements

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 RM	2016 RM
ASSETS			
Non-current assets			
Property, plant and equipment	2	190,187,845	191,348,523
Investment in subsidiary companies	3	21,542,565	21,542,565
Investment in associated company	4	3,000,000	3,000,000
Other investments	5	1,008,204	1,009,204
Total non-current assets		215,738,614	216,900,292
Current assets			
Trade receivables	7	86,106,397	81,165,032
Other receivables, deposits and prepayments	8	80,905,918	14,995,937
Amount owing by immediate holding company	9	5,705,966	3,627,301
Amounts owing by subsidiary companies	10	45,782,513	45,060,266
Amounts owing by related companies	11	9,751,318	4,620,692
Amount owing by associated company	12	-	5,088
Current tax assets		5,929,953	5,929,953
Fixed deposits with licensed banks	13	34,517,318	62,768,460
Cash and bank balances	14	33,790,729	20,437,663
Total current assets		302,490,112	238,610,392
TOTAL ASSETS		518,228,726	455,510,684

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 RM	2016 RM
EQUITY AND LIABILITIES			
Equity			
Share capital	15	100,000,000	100,000,000
Share premium		801,317	801,317
Hedge reserve		(847,130)	(613,269)
Retained earnings		216,401,731	194,226,967
Total equity		316,355,918	294,415,015
Non-current liabilities			
Bank terms loans	16	33,208,034	29,783,903
Deferred tax liabilities	17	8,843,664	7,877,283
Total non-current liabilities		42,051,698	37,661,186
Current liabilities			
Trade payables	18	33,416,682	29,261,213
Other payables, deposits and accruals	19	68,682,354	28,160,564
Amount owing to immediate holding company	9	1,128,682	1,724,280
Amounts owing to subsidiary companies	10	34,906,645	37,304,709
Amount owing to related companies	11	4,716,986	3,275,503
Amount owing to associated company	12	164,774	343,778
Bank term loans	16	15,198,526	16,242,615
Current tax liabilities		1,606,461	7,121,821
Total current liabilities		159,821,110	123,434,483
Total liabilities		201,872,808	161,095,669
TOTAL EQUITY AND LIABILITIES		518,228,726	455,510,684

The accompanying notes form an integral part of the financial statements

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2017

	Note	Group 2017 RM	Group 2016 RM	Company 2017 RM	Company 2016 RM
Revenue	20	584,401,969	515,666,031	572,956,119	505,903,981
Cost of sales		(440,602,836)	(383,623,595)	(436,532,787)	(379,175,629)
Gross profit		143,799,133	132,042,436	136,423,332	126,728,352
Other income	21	8,288,774	10,103,774	8,722,066	10,253,354
Administrative and general expenses		(107,290,794)	(96,211,342)	(102,480,507)	(92,031,500)
Profit from operations	22	44,797,113	45,934,868	42,664,891	44,950,206
Finance costs	23	(1,689,905)	(2,312,128)	(686,617)	(1,016,245)
Share of net profit of associated company		421,490	459,318	-	-
Profit before tax		43,528,698	44,082,058	41,978,274	43,933,961
Tax expense	24	(12,672,647)	(13,372,234)	(10,803,510)	(12,485,900)
Profit for the year		30,856,051	30,709,824	31,174,764	31,448,061
Other comprehensive income:					
Items that will be reclassified subsequently to profit or loss:					
Exchange difference on translation of foreign operation		(654,019)	35,671	-	-
Fair value adjustment on cash flow hedge		(233,861)	(855,107)	(233,861)	(855,107)
Other comprehensive loss for the year, net of tax		(887,880)	(819,436)	(233,861)	(855,107)
Total comprehensive income for the year		29,968,171	29,890,388	30,940,903	30,592,954
Profit attributable to:					
Owners of the Company		30,668,875	30,606,581	31,174,764	31,448,061
Non-controlling interests		187,176	103,243	-	-
Profit for the year		30,856,051	30,709,824	31,174,764	31,448,061
Total comprehensive income attributable to:					
Owners of the Company		29,780,995	29,787,145	30,940,903	30,592,954
Non-controlling interests		187,176	103,243	-	-
Total comprehensive income for the year		29,968,171	29,890,388	30,940,903	30,592,954
Basic earnings per share attributable to owners of the Company (sen per share)	25	15.33	15.30		

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017

		Attributable to owners of the Company								
		Non distributable					Distributable			
	Note	Share capital RM	Share premium RM	Revaluation reserve RM	Hedge reserve RM	Exchange translation reserve RM	Retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM
Group										
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
Total comprehensive income for the year		-	-	-	(855,107)	35,671	30,606,581	29,787,145	103,243	29,890,388
Dividends paid	26	-	-	-	-	-	(9,000,000)	(9,000,000)	-	(9,000,000)
Balance at 31 March 2016		100,000,000	801,317	1,400,591	(613,269)	(112,044)	218,407,853	319,884,448	872,159	320,756,607
Total comprehensive income for the year		-	-	-	(233,861)	(654,019)	30,668,875	29,780,995	187,176	29,968,171
Dividends paid	26	-	-	-	-	-	(9,000,000)	(9,000,000)	-	(9,000,000)
Balance at 31 March 2017		100,000,000	801,317	1,400,591	(847,130)	(766,063)	240,076,728	340,665,443	1,059,335	341,724,778

The accompanying notes form an integral part of the financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017

		Non distributable			Distributable	
	Note	Share capital RM	Share premium RM	Hedge reserve RM	Retained earnings RM	Total equity RM
Company						
Balance at 31 March 2015		100,000,000	801,317	241,838	171,778,906	272,822,061
Total comprehensive income for the year		-	-	(855,107)	31,448,061	30,592,954
Dividends paid	26	-	-	-	(9,000,000)	(9,000,000)
Balance at 31 March 2016		100,000,000	801,317	(613,269)	194,226,967	294,415,015
Total comprehensive income for the year		-	-	(233,861)	31,174,764	30,940,903
Dividends paid	26	-	-	-	(9,000,000)	(9,000,000)
Balance at 31 March 2017		100,000,000	801,317	(847,130)	216,401,731	316,355,918

The accompanying notes form an integral part of the financial statements

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017

	Note	Group 2017 RM	Group 2016 RM	Company 2017 RM	Company 2016 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		43,528,698	44,082,058	41,978,274	43,933,961
Adjustments for:					
Allowance for doubtful debts		842,406	466,011	777,350	466,011
Bad debts written off		119	293,079	119	293,079
Allowance for doubtful debts no longer required		(2,026,806)	-	(2,026,806)	-
Depreciation		16,766,350	17,971,718	15,020,655	16,302,357
Gain on disposal of property, plant and equipment		(194,166)	(5,385,022)	(177,866)	(5,376,909)
Impairment loss on other investments		57,000	112,500	57,000	112,500
Other investments written off		14,000	48,000	14,000	48,000
Share of net profit of associated company		(421,490)	(459,318)	-	-
Interest income		(1,437,809)	(1,102,958)	(1,415,256)	(1,102,958)
Dividend income		(36,600)	(36,600)	(689,753)	(689,753)
Interest expense		1,689,905	2,312,128	686,617	1,016,245
Unrealised gain on foreign exchange		(2,854,608)	(647,470)	(2,854,608)	(647,470)
Operating profit before working capital changes		55,926,999	57,654,126	51,369,726	54,355,063
Changes in inventories		30,883	(7,615)	-	-
Changes in receivables		(40,606,669)	(479,142)	(44,028,185)	(2,794,288)
Changes in payables		42,806,940	4,444,259	42,534,014	7,370,323
Cash generated from operations		58,158,153	61,611,628	49,875,555	58,931,098
Tax paid		(16,513,648)	(7,416,246)	(15,352,489)	(6,955,388)
Net cash generated from operating activities		41,644,505	54,195,382	34,523,066	51,975,710
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment	27	(13,530,360)	(8,008,767)	(13,402,463)	(6,668,115)
Proceeds from disposal of property, plant and equipment		279,247	11,411,513	214,445	11,403,400
Deposit paid for acquisition of subsidiary companies		(30,983,887)	-	(30,983,887)	-
Acquisition of other investments		(70,000)	(10,600)	(70,000)	(10,600)
Repayment from/(advances to) subsidiary companies		-	-	1,451,416	(6,617,091)
Interest received		1,437,809	1,102,958	1,415,256	1,102,958
Dividends received		36,600	36,600	689,753	36,600
Net cash (used in)/generated from investing activities		(42,830,591)	4,531,704	(40,685,480)	(752,848)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017

	Note	Group 2017 RM	Group 2016 RM	Company 2017 RM	Company 2016 RM
CASH FLOWS FROM FINANCING ACTIVITIES					
Drawdown of term loan		14,000,000	8,000,000	14,000,000	8,000,000
Repayment of term loan		(13,302,017)	(17,001,996)	(13,302,017)	(17,001,996)
Repayment to related companies		-	(2,800,000)	-	-
Repayment to subsidiary companies		-	-	(39,470)	(455,727)
Interest paid		(1,689,905)	(2,312,128)	(686,617)	(1,016,245)
Dividends paid		(9,000,000)	(9,000,000)	(9,000,000)	(9,000,000)
Net cash used in financing activities		(9,991,922)	(23,114,124)	(9,028,104)	(19,473,968)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS		(11,178,008)	35,612,962	(15,190,518)	31,748,894
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		92,585,645	57,081,320	83,206,123	51,598,915
EFFECT OF EXCHANGE RATE CHANGES		292,099	(108,637)	292,442	(141,686)
CASH AND CASH EQUIVALENTS CARRIED FORWARD		81,699,736	92,585,645	68,308,047	83,206,123
Represented by:					
Fixed deposits with licensed banks		34,517,318	62,768,460	34,517,318	62,768,460
Cash and bank balances		47,182,418	29,817,185	33,790,729	20,437,663
		81,699,736	92,585,645	68,308,047	83,206,123

The accompanying notes form an integral part of the financial statements

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 2016 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.

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

The Companies Act 2016 ("CA 2016")

The Minister of Domestic Trade, Co-operatives and Consumerism has announced 31 January 2017 as the date on which CA 2016 comes into operation except section 241 and Division 8 of Part III.

Pursuant to CA 2016:

(i) All shares issued before or upon the commencement of CA 2016 shall have no par or nominal value. Where a share is issued before the commencement of CA 2016, the amount paid on the share shall be the sum of all amounts paid to the company at any time for the share, but not including any premium.

(ii) Upon commencement of CA 2016, any amount standing to the credit of the Group's and Company's share premium account shall become part of the Group's and Company's share capital.

(iii) However, the Group and the Company may, within 24 months upon the commencement of CA 2016, use the amount standing to the credit of its share premium account for specific purposes set out in the transitional provisions of CA 2016. Thereafter, any unutilised credit balance in the share premium account shall be transferred and credited to share capital of the Group and the Company.

The adoption of the CA 2016 is not expected to have any financial impact to the Group or to the Company for the current financial year.

(b) Application of new or revised standards

In the current year, the Group and the Company applied a number of new standards, amendments and interpretations that become effective mandatorily for the financial periods beginning on or after 1 April 2016.

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

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Standards issued that are not yet effective

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

		Effective date
Amendments to MFRS 107	Disclosure Initiative	1 January 2017
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to MFRS 12	Annual Improvements to MFRS Standard 2014-2016 Cycle	1 January 2017
Amendments to MFRS 1 and MFRS 128	Annual Improvements to MFRS Standards 2014-2016 Cycle	1 January 2018
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
Amendments to MFRS 15	Clarifications to MFRS 15	1 January 2018
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 4	Applying MFRS 9, Financial Instrucments with MFRS 4, Insurance Contracts	1 January 2018
Amendments to MFRS 140	Transfer of Investment Property	1 January 2018
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	
MFRS 16	Leases	1 January 2019
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by the MASB

Except as otherwise indicated below, the adoption of the above new standards and amendments 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.

MFRS 15 Revenue from Contracts with Customers

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

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

MFRS 16 Leases

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

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

The Group and Company are assessing the impact to the financial statements upon adopting MFRS 9, 15 and 16, and will adopt these standards 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.

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 2017 were RM236,013,691 and RM190,187,845 (2016: RM238,772,986 and RM191,348,523) 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.

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

(ii) Impairment of loans and receivables

The collectability of receivables is assessed on an ongoing 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 2017 were RM149,288,848 and RM191,996,682 (2016: RM104,280,633 and RM146,076,098), 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 debtor. 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 tax expense and deferred tax liabilities 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 2017 were RM5,952,328 and RM5,929,953 (2016: RM5,930,086 and RM5,929,953) respectively.

The carrying amounts of the Group's and Company's tax liabilities as at 31 March 2017 were RM12,285,580 and RM10,450,125 (2016: RM16,104,339 and RM14,999,104) respectively.

(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.

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Basis of consolidation (Cont'd)

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.

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.

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(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.

(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.

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Associated company (Cont'd)

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 (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.

(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.

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Financial instruments (Cont'd)

(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.

The Group and the Company did not categorised any financial assets 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 (l)(i).

Financial liabilities

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

The Group and the Company did 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.

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Financial instruments (Cont'd)

(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.

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.

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Financial instruments (Cont'd)

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

Cash flow hedge (Cont'd)

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.

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 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.

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Impairment (Cont'd)

AFS financial assets (Cont'd)

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.

(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.

(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 or 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.

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Income recognition (Cont'd)

(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.

(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.

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(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.

(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.

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(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.

(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.

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(w) Goods and services tax ("GST")

Revenue, expenses and assets are recognised net of GST, unless the GST is not recoverable from the tax authority. The amount of GST not recoverable from the tax authority is recognised as an expense or as part of cost of acquisition of an asset. Receivables and payables relate to such revenue, expenses or acquisitions of assets are presented in the statement of financial position inclusive of GST recoverable or GST payable.

GST recoverable from or payable to tax authority may be presented on net basis should such amounts are related to GST levied by the same tax authority and the taxable entity has a legally enforceable right to set off such amounts.

2. PROPERTY PLANT AND EQUIPMENT

Group 2017 Cost	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
At 31.3.2016	12,708,202	161,647,477	51,568,244	86,401,739	17,081,515	23,285,411	38,268,455	390,961,043
Additions	-	-	-	5,170,548	439,995	2,889,798	5,524,112	14,024,453
Disposals	-	-	-	(1,609,493)	(186,790)	(181,288)	(115,212)	(2,092,783)
Reclassification	(8,808,025)	4,069,771	4,738,254	-	-	-	-	-
Exchange differences	-	-	-	-	-	38,863	46,296	85,159
At 31.3.2017	3,900,177	165,717,248	56,306,498	89,962,794	17,334,720	26,032,784	43,723,651	402,977,872
Accumulated depreciation								
At 31.3.2016	930,258	27,995,145	5,304,942	69,285,649	13,384,539	15,209,498	20,078,026	152,188,057
Charge for the year	193,359	3,406,364	842,033	5,423,890	1,461,167	1,853,461	3,586,076	16,766,350
Disposals	-	-	-	(1,609,493)	(186,790)	(108,688)	(102,731)	(2,007,702)
Reclassification	(648,679)	464,457	184,222	-	-	-	-	-
Exchange differences	-	-	-	-	-	7,725	9,751	17,476
At 31.3.2017	474,938	31,865,966	6,331,197	73,100,046	14,658,916	16,961,996	23,571,122	166,964,181
Net carrying amount								
At 31.3.2017	3,425,239	133,851,282	49,975,301	16,862,748	2,675,804	9,070,788	20,152,529	236,013,691

2. PROPERTY PLANT AND EQUIPMENT (CONT'D)

Group 2016	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 1.4.2015	18,562,832	161,218,345	51,568,244	85,023,249	16,748,619	21,573,428	36,902,798	391,597,515
Additions	645,370	429,132	-	3,592,543	622,596	1,711,247	1,392,092	8,392,980
Disposals	(6,500,000)	-	-	(2,214,053)	(289,700)	(7,263)	(29,280)	(9,040,296)
Exchange differences	-	-	-	-	-	7,999	2,845	10,844
At 31.3.2016	12,708,202	161,647,477	51,568,244	86,401,739	17,081,515	23,285,411	38,268,455	390,961,043
Accumulated depreciation								
At 1.4.2015	1,169,424	24,601,333	4,511,541	64,902,576	12,014,412	13,386,899	16,635,737	137,221,922
Charge for the year	261,334	3,393,812	793,401	6,586,609	1,659,827	1,825,007	3,451,728	17,971,718
Disposals	(500,500)	-	-	(2,203,536)	(289,700)	(5,362)	(14,707)	(3,013,805)
Exchange differences	-	-	-	-	-	2,954	5,268	8,222
At 31.3.2016	930,258	27,995,145	5,304,942	69,285,649	13,384,539	15,209,498	20,078,026	152,188,057
Net carrying amount								
At 31.3.2016	11,777,944	133,652,332	46,263,302	17,116,090	3,696,976	8,075,913	18,190,429	238,772,986

2. PROPERTY PLANT AND EQUIPMENT (CONT'D)

Company 2017 Cost	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
At 31.3.2016	12,669,631	108,839,559	39,274,288	81,429,412	16,570,377	22,771,320	37,570,228	319,124,815
Additions	-	-	-	5,170,548	439,995	2,799,442	5,486,571	13,896,556
Disposals	-	-	-	(1,521,464)	(186,790)	(89,495)	-	(1,797,749)
Reclassification	(8,808,025)	4,069,771	4,738,254	-	-	-	-	-
At 31.3.2017	3,861,606	112,909,330	44,012,542	85,078,496	16,823,582	25,481,267	43,056,799	331,223,622
Accumulated depreciation								
At 31.3.2016	891,687	12,173,913	3,669,087	62,847,561	13,325,178	15,040,678	19,828,188	127,776,292
Charge for the year	193,359	2,195,078	478,091	5,423,890	1,410,200	1,792,325	3,527,712	15,020,655
Disposals	-	-	-	(1,521,464)	(186,790)	(52,916)	-	(1,761,170)
Reclassification	(648,679)	464,457	184,222	-	-	-	-	-
At 31.3.2017	436,367	14,833,448	4,331,400	66,749,987	14,548,588	16,780,087	23,355,900	141,035,777
Net carrying amount								
At 31.3.2017	3,425,239	98,075,882	39,681,142	18,328,509	2,274,994	8,701,180	19,700,899	190,187,845

2. PROPERTY PLANT AND EQUIPMENT (CONT'D)

Company 2016 Cost	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
At 1.4.2015	18,524,261	108,839,559	39,274,288	79,973,405	16,435,482	21,342,001	36,646,270	321,035,266
Additions	645,370	-	-	3,592,543	424,595	1,436,582	953,238	7,052,328
Disposals	(6,500,000)	-	-	(2,136,536)	(289,700)	(7,263)	(29,280)	(8,962,779)
At 31.3.2016	12,669,631	108,839,559	39,274,288	81,429,412	16,570,377	22,771,320	37,570,228	319,124,815
Accumulated depreciation								
At 1.4.2015	1,130,853	9,978,835	3,190,996	58,386,971	12,002,715	13,274,354	16,445,499	114,410,223
Charge for the year	261,334	2,195,078	478,091	6,586,609	1,612,163	1,771,686	3,397,396	16,302,357
Disposals	(500,500)	-	-	(2,126,019)	(289,700)	(5,362)	(14,707)	(2,936,288)
At 31.3.2016	891,687	12,173,913	3,669,087	62,847,561	13,325,178	15,040,678	19,828,188	127,776,292
Net carrying amount								
At 31.3.2016	11,777,944	96,665,646	35,605,201	18,581,851	3,245,199	7,730,642	17,742,040	191,348,523

3. INVESTMENT IN SUBSIDIARY COMPANIES

	Company 2017 RM	Company 2016 RM
Unquoted shares at cost	21,542,565	21,542,565

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 2017 %	Equity interest 2016 %	Country of incorporation	Principal activities
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	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

4. INVESTMENT IN ASSOCIATED COMPANY

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 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	722,221	953,884	-	-
	3,722,221	3,953,884	3,000,000	3,000,000

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

	Equity interest		Principal activities
	2017 %	2016 %	
Agate Electro Supplies Sdn Bhd ("AESSB")	50	50	Warehouse rental

The financial year end of AESSB is 31 December. The financial year end of AESSB is determined by the controlling shareholders of AESSB since its incorporation. For the purpose of applying the equity method in the consolidated financial statements, the audited financial statements of AESSB for the year ended 31 December 2016 have been used.

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

	Year ended 31.12.2016 RM	Year ended 31.12.2015 RM
Group's share of profit	421,490	459,318
Group's share of other comprehensive income	-	-
Group's share of total comprehensive income	421,490	459,318

The summarised financial information of the Group's associated company as at 31 December is as follow:

	2017 RM	2016 RM
Non-current assets	9,686,214	10,128,470
Current assets	159,968	344,454
Non-current liabilities	(1,960,093)	(2,179,334)
Current liabilities	(441,647)	(385,822)
Net assets	7,444,442	7,907,768
Revenue	1,692,900	1,833,975
Profit for the year	842,980	918,637

5. OTHER INVESTMENTS

	Group/Company	
	2017	2016
	RM	RM
AFS financial assets, at cost		
Unquoted shares	367,700	367,700
Transferable corporate club memberships	875,003	819,003
	1,242,703	1,186,703
Impairment loss	(234,499)	(177,499)
	1,008,204	1,009,204

6. INVENTORIES

Inventories represent parts and consumables at cost.

7. TRADE RECEIVABLES

	Group		Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Gross trade receivables	89,462,519	86,138,390	87,649,651	83,957,742
Allowance for doubtful debts	(1,608,310)	(2,792,710)	(1,543,254)	(2,792,710)
	87,854,209	83,345,680	86,106,397	81,165,032

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

	Group		Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
- Ringgit Malaysia	82,715,757	79,978,823	82,202,920	79,255,685
- US Dollar	4,877,326	4,519,756	4,813,180	4,349,783
- Singapore Dollar	1,855,097	1,639,811	619,212	352,274
- Thai Baht	14,339	-	14,339	-
	89,462,519	86,138,390	87,649,651	83,957,742

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	
	2017 RM	2016 RM	2017 RM	2016 RM
Other receivables	28,375,461	2,509,788	27,679,242	2,321,329
GST recoverable	27	75,597	-	-
Deposits paid for the acquisition of new subsidiary companies (see Note 37)	30,983,887	-	30,983,887	-
Deposits	10,585,003	4,267,043	9,707,816	3,461,158
Prepayments	5,396,265	3,670,777	5,271,543	3,398,218
Derivative financial assets	7,263,430	5,815,232	7,263,430	5,815,232
	82,604,073	16,338,437	80,905,918	14,995,937

The currency exposure profile of gross other receivables (excluding GST recoverable, prepayments and deposit for acquisition of subdidiary companies) is as follows:

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
- Ringgit Malaysia	37,414,289	5,777,628	37,387,058	5,782,487
- US Dollar	7,263,430	5,815,232	7,263,430	5,815,232
- Singapore Dollar	1,546,175	999,203	-	-
	46,223,894	12,592,063	44,650,488	11,597,719

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	
	2017 RM	2016 RM
- Ringgit Malaysia	4,863,407	2,998,129
- US Dollar	463,723	355,378
- Singapore Dollar	378,836	250,094
- Japanese Yen	-	23,700
	5,705,966	3,627,301

9. AMOUNT OWING BY/TO IMMEDIATE HOLDING COMPANY (CONT'D)

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

	Group/Company	
	2017	2016
	RM	RM
- Ringgit Malaysia	5,700	194,549
- Japanese Yen	1,104,445	1,527,370
- US Dollar	18,537	2,361
	1,128,682	1,724,280

10. AMOUNTS OWING BY/TO SUBSIDIARY COMPANIES

The amounts owing by subsidiary companies comprise:

	Company	
	2017	2016
	RM	RM
Trade accounts	748,313	685,420
Non-interest bearing advances	45,034,200	44,374,846
	45,782,513	45,060,266

The amounts owing to subsidiary companies comprise:

	Company	
	2017	2016
	RM	RM
Trade accounts	8,763,449	11,122,043
Non-interest bearing advances	26,143,196	26,182,666
	34,906,645	37,304,709

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

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

11. AMOUNTS OWING BY/TO RELATED COMPANIES

The amounts owing by 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	
	2017	2016	2017	2016
	RM	RM	RM	RM
- Ringgit Malaysia	2,777,305	2,101,106	3,023,844	2,011,297
- US Dollar	6,625,967	1,596,693	6,625,967	1,596,693
- Singapore Dollar	80,301	835,247	80,301	835,247
- Thai Baht	12,350	120,338	12,350	120,338
- Euro	8,856	35,313	8,856	35,313
- Chinese Yuan Renminbi	-	21,804	-	21,804
	9,504,779	4,710,501	9,751,318	4,620,692

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

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

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

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Ringgit Malaysia	28,337	83,680	28,337	83,680
Singapore Dollar	600,991	395,838	600,991	395,838
US Dollar	1,539,962	1,204,506	1,597,459	1,204,506
Thai Baht	369,433	199,633	369,433	199,633
Japanese Yen	-	162,843	-	162,843
Australia Dollar	5,443	4,803	5,443	4,803
Canada Dollar	1,846	7,371	1,846	7,371
Chinese Yuan Renminbi	375,601	678,105	375,601	678,105
Euro	980,113	253,170	980,113	253,170
Great Britain Pound	131,295	28,203	131,295	28,203
Hong Kong Dollar	490,322	176,028	490,322	176,028
Indian Rupee	1,593	4,513	1,593	4,513
South Korean Won	96,561	55,359	96,561	55,359
New Taiwan Dollar	37,918	18,712	37,918	18,712
Swedish Krona	74	2,739	74	2,739
	4,659,489	3,275,503	4,716,986	3,275,503

12. AMOUNTS OWING BY/TO ASSOCIATED COMPANY

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

13. FIXED DEPOSITS WITH LICENSED BANKS

The effective interest rates of the Group's and of the Company's deposits range from 2.85% to 3.00% (2016: 3.05% to 3.30%) 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	
	2017 RM	2016 RM	2017 RM	2016 RM
- Ringgit Malaysia	40,860,701	17,835,324	28,103,831	9,039,943
- US Dollar	4,823,677	10,535,619	4,823,677	10,535,619
- Singapore Dollar	1,482,542	1,430,449	847,723	846,308
- Thai Baht	15,498	15,793	15,498	15,793
	47,182,418	29,817,185	33,790,729	20,437,663

15. SHARE CAPITAL

	2017		2016	
	Number of shares	**RM**	**Number of shares**	**RM**
Authorised:				
Balance as at 1 April	-	-	200,000,000	200,000,000
Share split	-	-	200,000,000	-
Balance as at 31 March	-	-	400,000,000	200,000,000
Issued and fully paid:				
Balance as at 1 April	200,000,000	100,000,000	100,000,000	100,000,000
Share split	-	-	100,000,000	-
Balance as at 31 March - ordinary shares with no par value (2016: par value of RM0.50 shares)	200,000,000	100,000,000	200,000,000	100,000,000

CA2016, which came into operation on 31 January 2017, abolished the concept of authorised share capital and par value of share capital.

In 2016, the Company implemented a share split involving a subdivision of each of the ordinary share of RM1.00 each of the Company into two (2) fully paid-up ordinary shares of RM0.50 each.

Accordingly, the authorised share capital of the Company was subdivided from RM200,000,000 comprising 200,000,000 ordinary shares of RM1.00 each to RM200,000,000 comprising 400,000,000 ordinary shares of RM0.50 each to facilitate the implementation of the Share Split.

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.

15. SHARE CAPITAL (CONT'D)

(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.

(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	
	2017	**2016**
	RM	**RM**
The long term bank loans are repayable as follows:		
- not later than one year *(included under current liabilities)*	15,198,526	16,242,615
- later than one year but not later than five years		
(included under non-current liabilities)	33,208,034	29,783,903
	48,406,560	46,026,518

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

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	2017 RM	2016 RM
1,500,000	25,000	29 August 2011	0.875% above KLIBOR	-	63,077
1,500,000	25,000	30 September 2011	0.875% above KLIBOR	-	126,155
3,000,000	50,000	29 April 2011	0.875% above KLIBOR	-	189,233
3,000,000	50,000	31 May 2011	0.875% above KLIBOR	-	256,879
3,000,000	50,000	29 June 2011	0.875% above KLIBOR	-	160,549
3,000,000	50,000	29 July 2011	0.875% above KLIBOR	-	192,659
1,500,000	25,000	31 October 2011	0.875% above KLIBOR	-	224,769
1,500,000	25,000	30 November 2011	0.875% above KLIBOR	-	256,879
2,000,000	33,333	20 December 2011	0.875% above KLIBOR	-	385,341
3,000,000	50,000	01 April 2012	0.875% above KLIBOR	-	736,227
6,000,000	100,000	09 July 2013	4.25% fixed rate	2,494,173	3,667,293
10,000,000	183,333	19 May 2014	4.56% fixed rate	6,836,899	8,659,167
10,000,000	116,667	10 October 2014	4.61% fixed rate	5,101,423	6,137,058
7,000,000	166,667	07 November 2014	4.61% fixed rate	6,162,074	7,852,322
10,000,000	196,000	24 February 2015	4.60% fixed rate	6,688,809	8,521,558
2,000,000	35,000	28 April 2015	4.60% fixed rate	1,465,071	1,760,468
8,000,000	140,000	28 April 2015	4.60% fixed rate	5,689,692	6,836,884
14,000,000	116,667	29 March 2017	4.88% fixed rate	13,968,419	-
				48,406,560	46,026,518

17. DEFERRED TAX LIABILITIES

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
At beginning of the year	8,827,160	8,456,725	7,877,283	7,831,245
Transfer from/(to) profit or loss	1,573,471	370,435	966,381	46,038
At end of the year	10,400,631	8,827,160	8,843,664	7,877,283

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

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Tax effects of:				
- excess of capital allowances over accumulated depreciation on property, plant and equipment	9,798,557	9,035,261	8,528,939	8,392,140
- surplus on revaluation of land and buildings	287,349	306,756	-	-
- allowance for doubtful debts	(370,381)	(670,250)	(370,381)	(670,250)
- unrealised gain on foreign exchange	685,106	155,393	685,106	155,393
	10,400,631	8,827,160	8,843,664	7,877,283

18. TRADE PAYABLES

The currency exposure profile of trade payables is as follows:

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
- Ringgit Malaysia	33,929,648	30,654,622	33,361,883	28,914,773
- Singapore Dollar	935,646	1,054,376	9,053	11,561
- Thai Baht	3,192	86,673	3,192	86,673
- US Dollar	27,313	205,084	27,313	205,084
- Japanese Yen	-	8,823	-	8,823
- Chinese Yuan Renminbi	-	-	-	-
- Euro	15,005	15,542	15,005	15,542
- Norwegian Krone	236	18,757	236	18,757
	34,911,040	32,043,877	33,416,682	29,261,213

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

19. OTHER PAYABLES, DEPOSITS AND ACCRUALS

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Other sundry payables, deposits and accruals	70,023,574	28,986,598	68,474,909	27,148,575
GST payable	886,201	1,173,665	207,445	1,011,989
	70,909,775	30,160,263	68,682,354	28,160,564

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

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
- Ringgit Malaysia	69,605,798	28,932,758	68,474,909	27,148,575
- Singapore Dollar	417,776	53,840	-	-
	70,023,574	28,986,598	68,474,909	27,148,575

20. REVENUE

Revenue represents the invoiced value of freight forwarding, transportation, warehousing and related services rendered.

21. OTHER INCOME

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Gross dividends from				
- associated company	-	-	653,153	653,153
- unquoted investments	36,600	36,600	36,600	36,600
Interest income	1,437,809	1,102,958	1,415,256	1,102,958
Gain on disposal of property, plant and equipment	194,166	5,385,022	177,866	5,376,909
Realised gain on foreign exchange	1,201,057	2,019,306	1,201,057	2,019,030
Unrealised gain on foreign exchange	2,854,608	647,470	2,854,608	647,470
Operating lease income from land and buildings	316,500	331,500	316,500	331,500
Allowance for doubtful debt no longer required	2,026,806	-	2,026,806	-
Sundry income	221,228	580,918	40,220	85,734
	8,288,774	10,103,774	8,722,066	10,253,354

22. PROFIT FROM OPERATIONS

	Group		Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Profit from operations is stated after charging:				
Auditors' remuneration				
- statutory audit	176,927	196,042	97,000	92,000
- review of quarterly financial statements	68,000	68,000	68,000	68,000
Legal and professional fees	5,253,877	3,955,338	5,232,362	3,927,462
Impairment loss on other investments	57,000	112,500	57,000	112,500
Other investments written off	14,000	48,000	14,000	48,000
Operating lease rentals				
- land and buildings	14,778,936	14,396,928	12,849,917	12,464,222
- trucks	9,084,705	3,086,004	3,755,419	1,818,430
- forklifts	2,482,681	2,460,089	2,322,491	2,312,910
- office equipment	745,064	701,825	717,722	678,700

23. FINANCE COSTS

	Group		Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Interest paid or payable on term loans	1,689,905	2,312,128	686,617	1,016,245

24. TAX EXPENSE

	Group		Company	
	2017	**2016**	**2017**	**2016**
	RM	**RM**	**RM**	**RM**
Malaysian tax based on results for the year				
- current	11,128,520	11,625,097	10,145,319	11,103,043
- deferred	784,425	(1,106,514)	811,510	(1,430,911)
	11,912,945	10,518,583	10,956,829	9,672,132
(Over)/Under provision in prior years				
- current	(191,802)	1,376,702	(470,648)	1,336,819
- deferred	789,046	1,476,949	154,871	1,476,949
- real property gains tax	162,458	-	162,458	-
	12,672,647	13,372,234	10,803,510	12,485,900

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	
	2017	**2016**	**2017**	**2016**
	RM	**RM**	**RM**	**RM**
Accounting profit	43,107,208	43,622,740	41,978,274	43,933,961
Taxation at applicable statutory tax rate of 24%	10,345,730	10,469,458	10,074,786	10,544,151
Tax effects arising from:				
- non-deductible expenses	1,207,018	1,101,948	1,089,564	662,346
- non-taxable income	(50,764)	(1,354,892)	(207,521)	(1,534,365)
Deferred tax benefits not recognised	456,067	513,518	-	-
Effect of different tax rate in another country	(45,106)	(211,449)	-	-
Under/(Over) provision in prior years	759,702	2,853,651	(153,319)	2,813,768
	12,672,647	13,372,234	10,803,510	12,485,900

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	
	2017	**2016**	**2017**	**2016**
	RM	**RM**	**RM**	**RM**
Unabsorbed tax losses	8,918,621	6,364,275	-	-

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.

25. 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 attributable to owners of the Company of RM30,668,875 (2016: RM30,606,581) by the number of ordinary shares issued of 200,000,000 (2016: 200,000,000).

26. DIVIDENDS

	2017 RM	2016 RM
In respect of the financial year ended 31 March 2015:		
- Interim single tier dividend of 5.00 sen per share	-	5,000,000
In respect of the financial year ended 31 March 2016:		
- Interim single tier dividend of 2.00 sen per share	-	4,000,000
- Final single tier dividend of 2.50 sen per share	5,000,000	-
In respect of the financial year ended 31 March 2017:		
- Interim single tier dividend of 2.00 sen per share	4,000,000	-
	9,000,000	9,000,000

On 26 May 2017, the directors declare a final single-tier dividend of 2.50 sen per ordinary share amounting to RM5,000,000 in respect of the financial year ended 31 March 2017.

27. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Aggregate cost of property, plant and equipment acquired	14,024,453	8,392,980	13,896,556	7,052,328
Unpaid balance included under others payables (Note 19)	(494,093)	(384,213)	(494,093)	(384,213)
Total cash paid during the financial year	13,530,360	8,008,767	13,402,463	6,668,115

28. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Employee benefits expense	96,670,133	80,186,554	67,091,681	59,666,645

Included in the employee benefits expense are EPF contributions amounting to RM7,338,957 (2016: RM6,477,849) for the Group and RM4,379,583 (2016: RM4,060,955) for the Company.

29. 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.

Other than those disclosed elsewhere in the financial statements, the significant related party transactions during the financial year were as follows:

	--- Transaction value --- Group		-- Balance outstanding -- Company	
	2017 RM	**2016 RM**	**2017 RM**	**2016 RM**
Transactions with subsidiary companies				
Rental of trucks paid and payable	480,680	1,282,580	466,245	206,421
Labour charges paid and payable	25,814,228	21,067,676	4,342,069	3,817,763
Rental of premises paid and payables	4,537,462	3,777,462	1,155,798	2,695,575
Maintenance charges paid and payable	6,138,924	6,237,241	1,904,578	3,286,399
Handling fees paid and payable	1,808,410	1,531,271	894,759	1,115,885
Related logistic services paid	6,000	6,000	-	-
Handling fees received and receivable	292,731	154,726	123,161	37,170
Related logistics services received and receivable	4,691,719	5,042,575	456,612	536,716
Rental of trucks received and receivable	1,837,000	2,089,753	168,540	111,534

29. RELATED PARTY DISCLOSURES (CONT'D)

	Transaction value				Balance outstanding			
	Group		Company		Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM	2017 RM	2016 RM	2017 RM	2016 RM
Transactions with immediate holding company								
Related logistic services received and receivable	51,597,035	40,061,507	51,597,035	40,061,507	5,705,966	3,627,301	5,705,966	3,627,301
Related logistic services paid and payable	16,490,190	13,092,504	16,490,190	13,092,504	1,128,682	1,724,280	1,128,682	1,724,280
Transactions with subsidiary companies of the ultimate holding company								
Related logistic services received and receivable	46,632,077	34,681,599	46,632,077	34,681,599	9,504,779	4,710,501	9,751,318	4,620,692
Rental received and receivable	300,000	300,000	300,000	300,000	-	-	-	-
Related logistic services paid and payable	63,333,656	50,663,962	63,333,656	50,663,962	4,659,489	3,275,503	4,716,986	3,275,503
Management fee paid and payable	3,950,680	3,534,952	3,950,680	3,534,952	-	-	-	-
IT fees paid and payable	312,425	582,085	312,425	582,085	-	-	-	-
Transactions with associated company								
Rental of premises paid and payable	1,410,750	1,128,600	1,410,750	1,128,600	164,774	343,778	164,774	343,778
Accounting fee received and receivable	14,400	19,200	14,400	19,200	-	-	-	-

30. KEY MANAGEMENT PERSONNEL COMPENSATION

	Group		Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Directors				
Directors' fee	433,920	328,389	96,000	96,000
Short-term employee benefits				
- salary, bonus and allowances	2,697,306	3,137,949	2,655,066	3,034,665
Post-employment benefits				
- EPF	327,238	333,342	327,238	333,342
	3,458,464	3,799,680	3,078,304	3,464,007
Other key management personnel				
Short-term employee benefits				
- salary, bonus and allowances	1,540,055	911,050	1,540,055	911,050
Post-employment benefits				
- EPF	121,381	48,180	121,381	48,180
	1,661,436	959,230	1,661,436	959,230
Total compensation	4,685,980	4,430,521	4,643,740	4,327,237

31. 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 from third parties 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	
	2017	2016	2017	2016
	RM	RM	RM	RM
Not later than one year	5,907,066	2,925,240	5,907,066	2,925,240
Later than one year but not later than 5 years	1,743,198	2,357,230	1,743,198	2,357,230
	7,650,264	5,282,470	7,650,264	5,282,470

The Group as lessor

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

32. OTHER COMMITMENTS

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Authorised and contracted for:				
- acquisition of property, plant and equipment	1,814,166	682,486	1,814,166	671,856
- acquisition of new subsidiary companies	298,385,313	-	298,385,313	-
	300,199,479	682,486	300,199,479	671,856

33. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

Financial assets per statement of financial position

2017 Group	Loans and receivables RM	Available-for-sale RM	Total RM
Other investments	-	1,008,204	1,008,204
Trade receivables	87,854,209	-	87,854,209
Other receivables*	46,223,894	-	46,223,894
Amounts owing by immediate holding company	5,705,966	-	5,705,966
Amounts owing by related companies	9,504,779	-	9,504,779
Fixed deposits with a licensed banks	34,517,318	-	34,517,318
Cash and bank balances	47,182,418	-	47,182,418
Total financial assets	230,988,584	1,008,204	231,996,788

** Excluding prepayments, GST recoverable and deposits paid for the acquisition of new subsidiary companies.*

Financial assets per statement of financial position

2016 Group	Loans and receivables RM	Available-for-sale RM	Total RM
Other investments	-	1,009,204	1,009,204
Trade receivables	83,345,680	-	83,345,680
Other receivables*	12,592,063	-	12,592,063
Amounts owing by immediate holding company	3,627,301	-	3,627,301
Amounts owing by related companies	4,710,501	-	4,710,501
Amounts owing by associated company	5,088	-	5,088
Fixed deposits with a licensed banks	62,768,460	-	62,768,460
Cash and bank balances	29,817,185	-	29,817,185
Total financial assets	196,866,278	1,009,204	197,875,482

** Excluding prepayments, GST recoverable and deposits paid for the acquisition of new subsidiary companies.*

33. FINANCIAL INSTRUMENTS (CONT'D)

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

Financial liabilities per statement of financial position

2017 Group	At amortised cost RM
Trade payables	34,911,040
Other payables and accruals (excluding GST payable)	70,023,574
Amounts owing to immediate holding company	1,128,682
Amounts owing to related companies	4,659,489
Amount owing to associated company	164,774
Bank term loans	48,406,560
Total financial liabilities	159,294,119

2016 Group	
Trade payables	32,043,877
Other payables and accruals (excluding GST payable)	28,986,598
Amounts owing to immediate holding company	1,724,280
Amounts owing to related companies	3,275,503
Amount owing to associated company	343,778
Bank term loans	46,026,518
Total financial liabilities	112,400,554

Financial assets per statement of financial position

2017 Company	Loans and receivables RM	Available-for-sale RM	Total RM
Other investments	-	1,008,204	1,008,204
Trade receivables	86,106,397	-	86,106,397
Other receivables*	44,650,488	-	44,650,488
Amounts owing by immediate holding company	5,705,966	-	5,705,966
Amounts owing by subsidiary companies	45,782,513	-	45,782,513
Amounts owing by related companies	9,751,318	-	9,751,318
Fixed deposits with licensed banks	34,517,318	-	34,517,318
Cash and bank balances	33,790,729	-	33,790,729
Total financial assets	260,304,729	1,008,204	261,312,933

2016 Company	Loans and receivables RM	Available-for-sale RM	Total RM
Other investments	-	1,009,204	1,009,204
Trade receivables	81,165,032	-	81,165,032
Other receivables*	11,597,719	-	11,597,719
Amounts owing by immediate holding company	3,627,301	-	3,627,301
Amounts owing by subsidiary companies	45,060,266	-	45,060,266
Amounts owing by related companies	4,620,692	-	4,620,692
Amounts owing by associated company	5,088	-	5,088
Fixed deposits with licensed banks	62,768,460	-	62,768,460
Cash and bank balances	20,437,663	-	20,437,663
Total financial assets	229,282,221	1,009,204	230,291,245

** Excluding prepayments, GST recoverable and deposits paid for the acquisition of new subsidiary companies.*

33. FINANCIAL INSTRUMENTS (CONT'D)

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

Financial liabilities per statement of financial position

2017 **Company**	**At amortised cost** **RM**
Trade payables	33,416,682
Other payables and accruals (excluding GST payable)	68,474,909
Amounts owing to immediate holding company	1,128,682
Amounts owing to subsidiary companies	34,906,645
Amounts owing to related companies	4,716,986
Amount owing to associated company	164,774
Bank term loans	48,406,560
Total financial liabilities	191,215,238

2016 **Company**	
Trade payables	29,261,213
Other payables and accruals (excluding GST payable)	27,148,575
Amounts owing to immediate holding company	1,724,280
Amounts owing to subsidiary companies	37,304,709
Amounts owing to related companies	3,275,503
Amount owing to associated company	343,778
Bank term loans	46,026,518
Total financial liabilities	145,084,576

(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.

The carrying amounts of the financial instruments of the Group and of the Company at the reporting date approximate their fair values except for other investments, i.e. unquoted shares and transferable corporate club membership.

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.

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.

34. 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 currencies other than the functional currency of the Group. The currencies giving rise to this risk are primarily Japanese Yen, US Dollar 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 US Dollar 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 other comprehensive income, 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 RM3,776,339 (2016: RM2,312,437).

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

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 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. All of the Group's bank term loans as at year-end are at fixed interest rate.

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.

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

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.

As at year end, RM9.85 million or 11% (2016: RM9.03million or 11%) of trade receivables is outstanding from a single debtor.

Management has taken reasonable steps to ensure that receivables that are past due but not 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 trade receivables at 31 March which are trade in nature is as follows:

	Group		Company	
2017	**Gross**	**Impairment**	**Gross**	**Impairment**
	RM	**RM**	**RM**	**RM**
Not past due	77,254,603	-	77,105,190	-
Less than 30 days past due	13,267,962	-	12,782,615	-
Between 30 and 90 days past due	2,228,374	-	1,985,665	-
More than 90 days past due	11,922,325	1,608,310	11,981,778	1,543,254
	104,673,264	1,608,310	103,855,248	1,543,254

	Group		Company	
2016	**Gross**	**Impairment**	**Gross**	**Impairment**
	RM	**RM**	**RM**	**RM**
Not past due	60,801,522	-	60,842,264	-
Less than 30 days past due	15,320,170	-	13,969,249	-
Between 30 and 90 days past due	2,543,950	-	2,288,677	-
More than 90 days past due	15,815,638	2,792,710	15,796,053	2,792,710
	94,481,280	2,792,710	92,896,243	2,792,710

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

	Group	Company
	RM	**RM**
At 1.4.2016	2,792,710	2,792,710
Additions of allowance for doubtful debts	842,406	777,350
Allowance for doubtful debts no longer required	(2,026,806)	(2,026,806)
At 31.3.2017	1,608,310	1,543,254
At 1.4.2015	2,669,623	2,669,623
Additions of allowance for doubtful debts	466,011	466,011
Doubtful debts written off	(342,924)	(342,924)
At 31.3.2016	2,792,710	2,792,710

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

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.

2017	**Less than 1 year RM**	**1 to 5 years RM**	**More than 5 years RM**	**Total RM**
Group				
Trade payables	34,911,040	-	-	34,911,040
Other payables, deposit and accruals	70,023,574	-	-	70,023,574
Amount owing to immediate holding company	1,128,682	-	-	1,128,682
Amount owing to related companies	4,659,489	-	-	4,659,489
Amount owing to associated company	164,774	-	-	164,774
Bank term loans	16,920,594	34,777,137	8,874,080	60,571,811
Total undiscounted financial liabilities	127,808,153	34,777,137	8,874,080	171,459,370
Company				
Trade payables	33,416,682	-	-	33,416,682
Other payables, deposit and accruals	68,474,909	-	-	68,474,909
Amount owing to immediate holding company	1,128,682	-	-	1,128,682
Amount owing to subsidiary companies	34,906,645	-	-	34,906,645
Amount owing to related companies	4,716,986	-	-	4,716,986
Amount owing to associated company	164,774	-	-	164,774
Bank term loans	16,920,594	34,777,137	8,874,080	60,571,811
Total undiscounted financial liabilities	159,729,272	34,777,137	8,874,080	203,380,489

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

Liquidity and cash flow risks (Cont'd)

2016	Less than 1 year RM	1 to 5 years RM	More than 5 years RM	Total RM
Group				
Trade payables	32,043,877	-	-	32,043,877
Other payables, deposit and accruals	28,986,598	-	-	28,986,598
Amount owing to immediate holding company	1,724,280	-	-	1,724,280
Amount owing to related companies	3,275,503	-	-	3,275,503
Amount owing to associated company	343,778	-	-	343,778
Bank term loans	16,936,175	30,836,997	-	47,773,172
Total undiscounted financial liabilities	83,310,211	30,836,997	-	114,147,208
Company				
Trade payables	29,261,213	-	-	29,261,213
Other payables, deposit and accruals	27,148,575	-	-	27,148,575
Amount owing to immediate holding company	1,724,280	-	-	1,724,280
Amount owing to subsidiary companies	37,304,709	-	-	37,304,709
Amount owing to related companies	3,275,503	-	-	3,275,503
Amount owing to associated company	343,778	-	-	343,778
Bank term loans	16,936,175	30,836,997	-	47,773,172
Total undiscounted financial liabilities	115,994,233	30,836,997	-	146,831,230

35. 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.

The Group's total debt- to- equity ratios at 31 March 2017 and 31 March 2016 were as follow:

	2017 RM	2016 RM
Share capital	100,000,000	100,000,000
Reserves	240,665,440	219,884,448
Total equity	340,665,440	319,884,448
Short term borrowings	15,198,526	16,242,615
Long term borrowings	33,208,034	29,783,903
Total debt	48,406,560	46,026,518
Total debt to equity ratio (times)	0.14	0.14

36. SEGMENTAL ANALYSIS

(a) Primary reporting format - business segment

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

(i) Air Freight Forwarding Division ("AFF")	- Airfreight forwarding
(ii) Contract Logistics Division ("CLD")	- Customs forwarding, warehousing, and container haulage
(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.

2017	AFF RM	CLD RM	TD RM	OFF RM	OCM RM	Consolidated RM
REVENUE						
External sales	170,425,884	235,701,516	86,180,872	87,299,513	4,794,184	584,401,969
RESULTS						
Segment results	3,644,963	25,703,438	(1,728,481)	10,058,829	377,220	38,055,969
Unallocated corporate income	-	-	-	-	-	6,741,144
Profit from operations	-	-	-	-	-	44,797,113
Share of associated company's profits	-	-	-	-	-	421,490
Finance costs	-	-	-	-	-	(1,689,905)
Profit before tax	-	-	-	-	-	43,528,698
Tax expense	-	-	-	-	-	(12,672,647)
Profit for the year	-	-	-	-	-	30,856,051

2016	AFF RM	CLD RM	TD RM	OFF RM	OCM RM	Consolidated RM
REVENUE						
External sales	145,740,626	223,656,001	82,449,358	59,890,560	3,929,486	515,666,031
RESULTS						
Segment results	8,574,778	22,379,218	(1,060,028)	4,643,924	408,049	34,945,941
Unallocated corporate income	-	-	-	-	-	10,988,927
Profit from operations	-	-	-	-	-	45,934,868
Share of associated company's profits	-	-	-	-	-	459,318
Finance costs	-	-	-	-	-	(2,312,128)
Profit before Tax	-	-	-	-	-	44,082,058
Tax expense	-	-	-	-	-	(13,372,234)
Profit for the year	-	-	-	-	-	30,709,824

There is no intersegment sales.

36. SEGMENTAL ANALYSIS (CONT'D)

(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.

37. SIGNIFICANT EVENTS PENDING COMPLETION

(a) On 10 January 2017, the Company announced its proposed acquisition of 2,000,000 ordinary shares of RM1 each in Gold Cold Transport Sdn Bhd ("GCT"), representing 100% equity interest in GCT, for an indicative cash consideration of RM186,086,428 subject to a maximum purchase consideration of RM188,000,000 and further adjustments as agreed by both parties. On 9 May 2017, the parties agreed the final purchase consideration is RM185,616,671.

Initial deposit amounting to RM3,721,722 was paid on 9 January 2017 and was funded via internally generated funds of the Company. The balance of deposit of 8% of the indicative purchase consideration amounting to RM14,886,915 was paid on 30 March 2017. The proposed GCT acquisition and completion thereof are conditional upon fulfilment of certain conditions precedent within 5 months from the date of the SPA or such other period as may be mutually agreed by the parties.

(b) On 23 January 2017, the Company entered into the following agreements with Swift Integrated Logistics Sdn Bhd (formerly known as MISC Integrated Logistics Sdn Bhd) ("SILS"):

(i) Sale and Purchase Agreement ("SPA") for the acquisition of six (6) parcels of leasehold lands all located in Pulau Indah, together with the furniture, fixtures, fittings and building(s) erected thereon for a cash consideration of RM113,827,400 ("Proposed Properties Acquisition"); and

(ii) Share sale agreement ("SSA") for the acquisition of 3,000,000 ordinary shares of RM1.00 each and 2,800,000 redeemable convertible preference shares ("RCPS") of RM0.10 each in MILS Cold Chain Logistics Sdn Bhd ("MCCL") ("Sale Shares"), representing the entire issued and paid-up capital of MCCL, for a cash consideration of RM9,925,100 ("Share Purchase Consideration") as well as the assumption of loans received by MCCL from SILS with an outstanding balance of RM20,000,000 ("Shareholder's Loan"), for a total cash consideration of RM29,925,100 ("Proposed Share Acquisition").

The Proposed Properties Acquisition and Proposed Share Acquisition are collectively referred to as the "Proposed Westport Acquisition".

Initial deposit for the Proposed Properties Acquisition and Proposed Share Acquisition amounting to RM11,382,740 and RM992,510, respectively, was paid on 23 January 2017 and was funded via internally-generated funds of the Company. The Proposed Westport Acquisition and completion thereof are conditional upon fulfilment of certain conditions precedent within 6 months from the date of the SPA and SSA or such other period as may be mutually agreed by the parties.

38. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on by the board of directors on 26 May 2017.

39. 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	
	2017 RM	2016 RM	2017 RM	2016 RM
Total retained profits of the Company and its subsidiaries:-				
- Realised	260,420,397	239,277,998	222,390,787	201,456,780
- Unrealised	(7,258,674)	(7,872,934)	(5,989,056)	(7,229,813)
	253,161,723	231,405,064	216,401,731	194,226,967
Total shares of retained profits from associated company	722,221	953,884	-	-
	253,883,944	232,358,948	216,401,731	194,226,967
Less: Consolidation adjustments	(13,807,216)	(13,951,095)	-	-
Total Group's and Company's retained profits as per statements of financial position	240,076,728	218,407,853	216,401,731	194,226,967

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 251(2) OF THE COMPANIES ACT 2016

In the opinion of the directors, the financial statements set out on pages 63 to 118 have been drawn up:

(a) in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2017 and of their financial performance and their cashflows for the financial year then ended; and

(b) in accordance with the requirements of the Companies Act 2016 in Malaysia.

The information set out in Note 39 on page 78 have been prepared in accordance with the 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 Malaysia Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

Signed on behalf of the directors in accordance with a directors' resolution.

LEE CHECK POH
Director

LIM JEW KIAT
Director

Kuala Lumpur

Date: 26 May 2017

STATUTORY DECLARATION
PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016

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 63 to 118 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 by the abovenamed	)	
Tan Kim Yong	)	
at Kuala Lumpur	)	
in the Federal Territory	)	
this 26 May 2017	)	TAN KIM YONG

Before me:

BALOO A/L T. PICHAI
No. W 663
Commissioner for Oath

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 31.03.2017 (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	28 years 5 years 4 years	30 Jun 2009	70,630
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	2 years	19 Mar 2012	37,747
3.	Bandar Baru Bangi Lot 46860 (PT 61382), Seksyen 10 43650 Bandar Baru Bangi, Selangor	Industrial Land	Bangi Logistics Centre III Bangi Logistics Centre II	Leasehold 99 years expiring 19.08.2098	Land - 60,241 Built-up - 12,119 Built-up - 19,584	 9 years 6 years	25 May 2004	27,711
	Bandar Baru Bangi Lot 46864 (PT 61734), Seksyen 10 43650 Bandar Baru Bangi, Selangor	Industrial Land	Access road	Leasehold 99 years expiring 19.08.2098	Land - 450	NA	27 May 2004	81
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 99 years expiring 23.10.2110	Land - 20,611 Built-up - 9,282	25 years	18 Jul 2008	12,911
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	25 years	19 Feb 2008	11,222
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	13 years	06 Nov 2014	9,086

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	10 years	04 Jun 2008	6,747
8.	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	7 years	01 Apr 2010	4,830
9.	Kinta Lot No. 21402 Lebuh Perusahaan Klebang 11 Kawasan Perusahaan International IGB 31200 Ipoh Perak	Industrial Land	Ipoh Logistics Centre	Freehold	Land - 9,864 Built-up - 1794	9 years	11 Jan 2007	3,438
10.	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	8 years	01 Apr 2015	2,674
11.	Bandar Baru Bangi No. 19, Jalan P/9A, 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	26 years	22 May 1991	175

ANALYSIS OF SHAREHOLDINGS
AS AT 30 JUNE 2017

Issued Shares	:	RM100,000,000.00
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Holders	Total Holdings	%
Less than 100 shares	25	318	0.00
100 to 1,000 shares	187	129,902	0.06
1,001 to 10,000 shares	1,056	5,402,680	2.70
10,001 to 100,000 shares	503	16,429,000	8.22
100,001 to less than 5% of issued shares	82	77,618,858	38.81
5% and above issued shares	4	100,419,242	50.21
Total	1,857	200,000,000	100.00

LIST OF 30 LARGEST SHAREHOLDERS

	Name of Shareholders	No. of shares	%
1	Yusen Logistics (Singapore) Pte Ltd	36,460,482	18.23
2	Yusen Logistics Co., Ltd	36,019,636	18.01
3	Yusen Logistics Co., Ltd	14,759,942	7.38
4	Nippon Yusen Kabushiki Kaisha	13,179,182	6.59
5	Nippon Yusen Kabushiki Kaisha	6,000,000	3.00
6	Yusen Logistics (Singapore) Pte Ltd	6,000,000	3.00
7	Yusen Logistics Co., Ltd	6,000,000	3.00
8	Yusen Logistics Co., Ltd	6,000,000	3.00
9	Yusen Logistics (Singapore) Pte Ltd	5,519,882	2.76
10	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd For CIMB Islamic Dali Equity Theme Fund	4,138,300	2.07
11	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB For Real Fortune Portfolio Sdn Bhd (PB)	4,000,000	2.00
12	Real Fortune Portfolio Sdn Bhd	4,000,000	2.00
13	Real Fortune Portfolio Sdn Bhd	4,000,000	2.00
14	Real Fortune Portfolio Sdn Bhd	4,000,000	2.00
15	Real Fortune Portfolio Sdn Bhd	3,660,876	1.83
16	Wong Lok Jee @ Ong Lok Jee	3,500,000	1.75
17	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Bakat Impian Sdn Bhd (8124505)	1,420,000	0.71
18	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB Bank For Ong Yoong Nyock (M78046)	1,230,000	0.62
19	Maybank Nominees (Tempatan) Sdn Bhd Etiqa Insurance Berhad (Dana EKT Prima)	1,200,000	0.60
20	Gan Tee Kian	1,033,100	0.52
21	Lee Chung Yau	1,000,000	0.50
22	Maybank Nominees (Tempatan) Sdn Bhd Etiqa Insurance Berhad (Life Non-Par FD)	850,000	0.43
23	Yeo Khee Huat	756,000	0.38
24	Maybank Nominees (Tempatan) Sdn Bhd Etiqa Insurance Berhad (Prem Equity FD)	600,000	0.30
25	Voon Chong Kian	590,000	0.30

LIST OF 30 LARGEST SHAREHOLDERS (CONT'D)

	Name of Shareholders	No. of shares	%
26	RHB Capital Nominees (Asing) Sdn Bhd Yasumasa Mizushima	500,200	0.25
27	Ong Ee Nah	500,000	0.25
28	Amanahraya Trustees Berhad BSN Dana Dividen Al-Ifrah	480,000	0.24
29	Tan Swee Lian	448,600	0.22
30	Sow Tiap	448,000	0.22
	Total	**168,294,200**	**84.16**

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 Substantial Shareholders	Direct Interest	%	Indirect Interest	%
1	Yusen Logistics Co., Ltd.	62,779,578	31.38	47,980,364[1]	23.99
2	Yusen Logistics (Singapore) Pte Ltd	47,980,364	23.99	-	-
3	Nippon Yusen Kabushiki Kaisha	19,179,182	9.59	110,759,942[2]	55.38
4	Real Fortune Portfolio Sdn Bhd	19,660,876	9.83	-	-
5	Lee Check Poh	-	-	19,660,876[3]	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 Directors	Direct Interest	%	Indirect Interest	%
1	Lee Check Poh	-	-	19,660,876[3]	9.83
2	Lim Jew Kiat	120,000	0.06	-	-
3	Tan Kim Yong	60,000	0.03	-	-
4	Kwong Hoi Meng	22,000	0.01	-	-
5	Raymond Cha Kar Siang	22,000	0.01	-	-
6	Raippan s/o Yagappan @ Raiappan Peter	22,000	0.01	-	-
7	Lee Wan Kai	20,000	0.01	-	-

1. Deemed interested by virtue of its equity interest in Yusen Logistics (Singapore) Pte Ltd pursuant to Section 8 of the Act.
2. Deemed interested by virtue of its subsidiary companies, Yusen Logistics Co., Ltd and Yusen Logistics (Singapore) Pte Ltd's equity interest in our Company pursuant to Section 8 of the Act.
3. Deemed interested by virtue of his equity interest in Real Fortune Portfolio Sdn Bhd pursuant to Section 8 of the Act.

SUBSIDIARY AND ASSOCIATED COMPANIES

SUBSIDIARY COMPANIES

			Group Effective Interest %	%	
		Country	31.03.2017	31.03.2016	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	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	31.03.2017	31.03.2016	Principal Activities
1.	Agate Electro Supplies Sdn Bhd	Malaysia	50.00	50.00	Warehouse rental

NOTICE IS HEREBY GIVEN THAT the Forty-Second 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 Thursday, 7 September 2017 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 2017 and the Reports of Directors and Auditors thereon.

2. To approve the payment of Directors' Fees of RM96,000 for the financial year ended 31 March 2017. ***Ordinary Resolution 1***

3. To approve the payment of Directors' benefits (excluding Directors' fees) to the Non-Executive Directors up to an amount of RM30,000 from 1 February 2017 until the next annual general meeting of the Company. ***Ordinary Resolution 2***

4. To re-elect the following Directors who retire pursuant to Article 77 of the Company's Constitution:-

   4.1 Mr. Raymond Cha Kar Siang ***Ordinary Resolution 3***
   4.2 Mr. Yasushi Ooka ***Ordinary Resolution 4***
   4.3 Mr. Masaki Ogane ***Ordinary Resolution 5***

5. To re-appoint Mr. Raippan s/o Yagappan @ Raiappan Peter as Director of the Company. ***Ordinary Resolution 6***

6. To re-appoint Messrs Mazars PLT as Auditors of the Company and authorise the Directors to determine their remuneration. ***Ordinary Resolution 7***

7. As Special Business to consider and if thought fit, to pass the following Ordinary Resolutions, with or without modifications: -

   "**THAT** pursuant to Recommendation 3.3 of the Malaysian Code of Corporate Governance 2012 and subject to the passing of Resolution 3, approval be and is hereby given to Mr. Raymond Cha Kar Siang, who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director until the conclusion of the next Annual General Meeting." ***Ordinary Resolution 8***

   "**THAT** pursuant to Recommendation 3.3 of the Malaysian Code of Corporate Governance 2012 and subject to the passing of Resolution 6, approval be and is hereby given to Mr. Raippan s/o Yagappan @ Raiappan Peter, who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director until the conclusion of the next Annual General Meeting." ***Ordinary Resolution 9***

   "**THAT** pursuant to Recommendation 3.3 of the Malaysian Code of Corporate Governance 2012, approval be and is hereby given to Mr. Kwong Hoi Meng, who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director until the conclusion of the next Annual General Meeting." ***Ordinary Resolution 10***

8. 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 11***

"**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 28 July 2017 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 340(1) of the Companies Act, 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(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."

9. **AUTHORITY TO ALLOT SHARES** ***Ordinary Resolution 12***

"**THAT** subject always to the Companies Act, 2016 ("Act") and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby authorised pursuant to Section 75 of the Act to allot 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."

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

KANG SHEW MENG
SEOW FEI SAN
LOH LAI LING
Secretaries

Petaling Jaya
Dated: 28 July 2017

Notes:

1. Only depositors whose names appear in the Record of Depositors as at 29 August 2017 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.

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:

   Note A - The shareholders' approval on the Audited Financial Statements are not required pursuant to Section 340(1) of the Act, hence, the matter will not be put for voting.

   Ordinary Resolutions 1 and 2
   Proposed Payment of Directors' Fees
   Proposed Payment of Directors' Benefits to Non-Executive Directors

   Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the Forty-Second Annual General Meeting ("AGM") on the Directors' fees and benefits in two (2) separate resolutions as below:-

   - Ordinary Resolution 1 on payment of Directors' fees of RM96,000 is in respect of the financial year ended 31 March 2017; and
   - Ordinary Resolution 2 on payment of Directors' benefits (excluding Directors' fees) from 1 February 2017 until the next AGM of up to RM30,000.

   The Directors' benefits of the Company which is estimated not to exceed RM30,000 is basically the meeting allowances for Board/Board Committee meetings attended / to be attended for period from 1 February 2017 until the conclusion of the next AGM. The Board will seek shareholders' approval at the next AGM in the event the amount of the Directors' benefits is insufficient due to an increase in Board/ Board Committee meetings and/or increase in Board size.

   Details of the Directors' fees and benefits paid to the Non-Executive Directors are disclosed on page 38 of the Statement on Corporate Governance in the Annual Report 2017.

   Ordinary Resolution 6
   Proposed Re-appointment of Director

   With the coming into force the Act on 31 January 2017, there is no age limit for directors.

   At the Forty-First Annual General Meeting of the Company held on 28 September 2016, Mr Raippan s/o Yagappan @ Raiappan Peter who is above the age of 70, were reappointed pursuant to Section 129 of the Companies Act, 1965 to hold office until the conclusion of the Forty-Second Annual General Meeting. His term of office will end at the conclusion of the Forty-Second Annual General Meeting and he has offered himself for re-appointment.

   The proposed Ordinary Resolution 6, if passed, will enable Mr. Raippan s/o Yagappan @ Raiappan Peter to continue to act as Director of the Company and he shall subject to retirement by rotation at a later date.

Ordinary Resolutions 8 to 10
Proposed Retention of Independent Non-Executive Directors

The Proposed Ordinary Resolutions 8 to 10, if passed, will enable Mr. Raymond Cha Kar Siang, Mr. Raippan s/o Yagappan @ Raiappan Peter and Mr. Kwong Hoi Meng to continue serving as the Independent Non-Executive Directors of the Company as recommended under Malaysian Code on Corporate Governance 2012 ("MCCG 2012").

Their term of office as independent directors is calculated based on the listing date of the Company on 28 December 2007.

An assessment of the independence of all Independent Directors was undertaken as part of the Board's assessment in 2017. The Board of Directors has considered the results of the independence assessment of Mr. Raymond Cha Kar Siang, Mr. Raippan s/o Yagappan @ Raiappan Peter and Mr. Kwong Hoi Meng, which was undertaken pursuant to the guidelines as set out in the Main Market Listing Requirements of Bursa Securities and MCCG 2012, and are satisfied that they meet the guidelines for independence and their ability to exercise independent judgement. Therefore, the Board recommends that Mr. Raymond Cha Kar Siang, Mr. Raippan s/o Yagappan @ Raiappan Peter and Mr. Kwong Hoi Meng should be retained as the Independent Non-Executive Directors of the Company.

Ordinary Resolution 11
Proposed Shareholders' Mandate for Recurrent Transactions

The proposed Ordinary Resolution 11, if passed, will allow the Company and/or its subsidiaries to enter into Recurrent Transactions involving the interests of Related Parties, which are of a revenue or trading nature and necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business and on terms not to the detriment of the minority shareholders of the Company.

Ordinary Resolution 12
Authority to Allot Shares

At last year's Annual General Meeting, mandate was given to Directors to issue and allot 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 12, if passed, will empower the Directors of the Company to 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, repayment of bank borrowing(s), if any, 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)

TASCO
NYK GROUP COMPANY

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 Forty-Second 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 Thursday, 7 September 2017 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		
Ordinary Resolution 10		
Ordinary Resolution 11		
Ordinary Resolution 12		

Dated:

Number of shares held	

____
Signature/Common Seal of Shareholder(s)

Fold this flap for sealing

Notes:-

1. Only depositors whose names appear in the Record of Depositors as at 29 August 2017 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.
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.

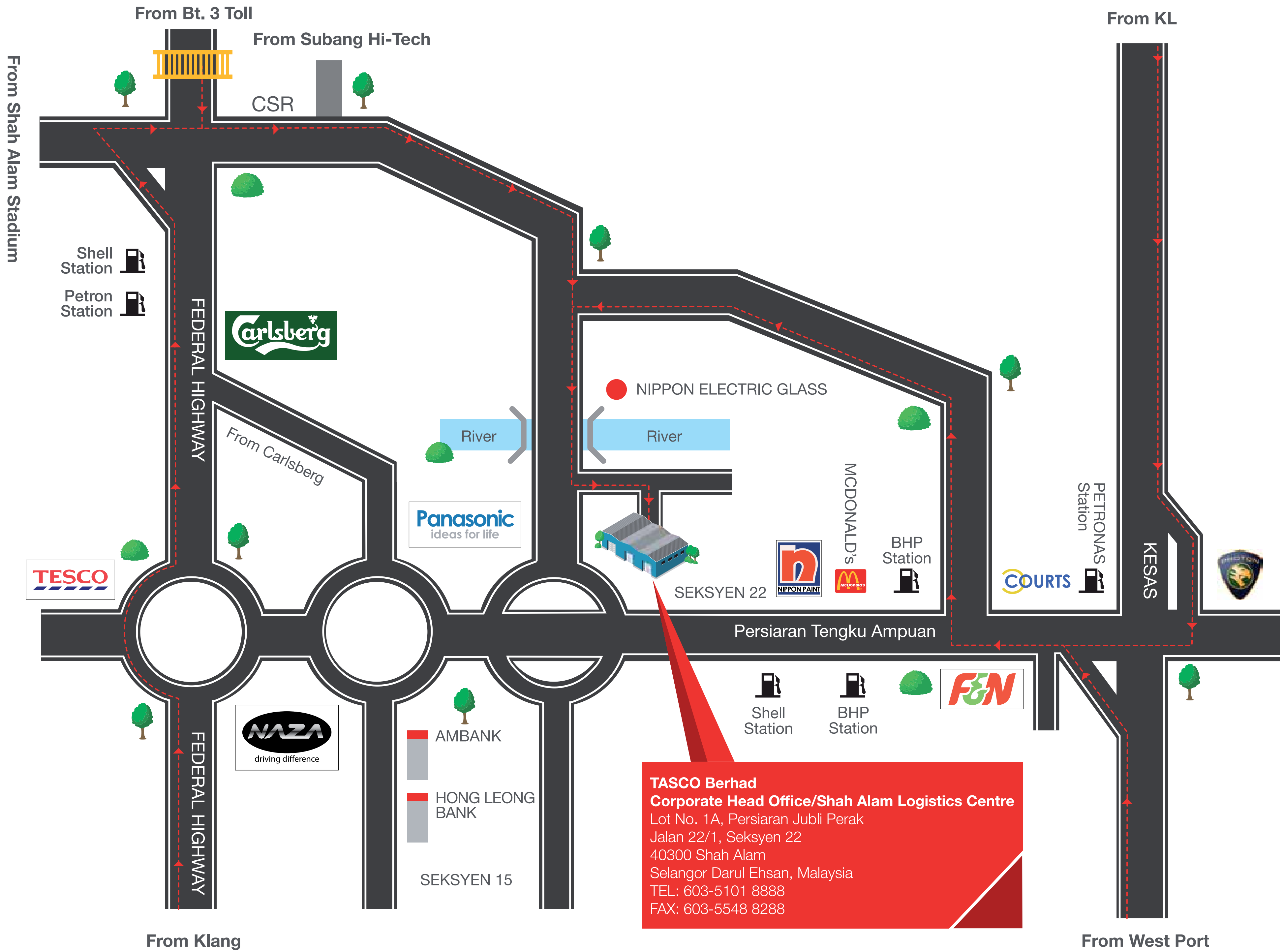
Then fold here

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


From Bt. 3 Toll
From Subang Hi-Tech
CSR
From KL
From Shah Alam Stadium
Shell Station
Petron Station
FEDERAL HIGHWAY
From Carlsberg
River
River
NIPPON ELECTRIC GLASS
MCDONALD's
BHP Station
PETRONAS Station
KESAS
SEKSYEN 22
Persiaran Tengku Ampuan
Shell Station
BHP Station
AMBANK
HONG LEONG BANK
SEKSYEN 15
FEDERAL HIGHWAY
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
From Klang
From West Port

Tasco Berhad (20218-T)
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