

TASCO Berhad
Company No: 197401003124 (20218-T)



Condensed Consolidated Financial Statements
For The Quarter And Year-To-Date Ended
31 March 2022

Condensed Consolidated Statement of Comprehensive Income
For The Quarter And Year-To-Date Ended 31-March-2022

	3 months ended		Cumulative 12 months Ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000 Unaudited	RM'000 Unaudited	RM'000 Unaudited	RM'000 Audited
Revenue	420,761	295,884	1,481,413	946,612
Cost of sales	(351,942)	(244,317)	(1,277,472)	(795,446)
Gross profit	68,819	51,567	203,941	151,166
Other income	(2,048)	(300)	4,684	4,448
Administrative and general expenses	(37,872)	(24,460)	(90,948)	(73,403)
Other Expenses	4,358	(298)	(17,505)	(7,417)
Profit from operations	33,257	26,509	100,172	74,794
Finance costs	(3,219)	(3,417)	(13,196)	(14,397)
Share of results of associated company and joint venture	337	71	1,171	292
Profit before taxation	30,375	23,163	88,147	60,689
Tax expense	(4,674)	(6,476)	(20,426)	(17,020)
Profit for the year	25,701	16,687	67,721	43,669
Profit Attributable to:				
Owners of the Company	24,985	16,339	65,250	41,274
Non-Controlling Interest	716	348	2,471	2,395
	25,701	16,687	67,721	43,669
Earnings per share (sen) - basic	3.12	2.04	8.16	5.16

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.



**Condensed Consolidated Statement of Comprehensive Income
 For The Quarter And Year-To-Date Ended 31-March-2022**

	3 months ended		Cumulative 12 months Ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000 Unaudited	RM'000 Unaudited	RM'000 Unaudited	RM'000 Audited
Profit for the period	25,701	16,687	67,721	43,669
Other Comprehensive Income:				
Exchange differences on translation foreign operation	-	-	-	644
Fair Value adjustment on cash flow hedge	-	-	-	-
Other comprehensive income/(Loss) for the period, net of tax	-	-	-	644
Total Comprehensive Income	25,701	16,687	67,721	44,313
Total Comprehensive Income attributable to:				
Owners of the Company	24,984	16,339	65,250	41,918
Non-Controlling Interest	716	348	2,471	2,395
	25,701	16,687	67,721	44,313

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Financial Position as at 31-March-2022

	As at 31.03.2022 RM'000 Unaudited	As at 31.03.2021 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	518,089	515,402
Right-of-use assets	26,511	19,524
Goodwill	81,864	81,864
Investment in associated company	3,562	3,197
Investment in joint venture companies	14,107	3,432
Other assets	962	924
Deferred Tax assets	324	7
Total non-current assets	645,419	624,350
Current assets		
Trade receivables	338,780	169,447
Contract Asset	211,879	-
Other receivables, deposits and prepayments	25,391	20,785
Amount owing by immediate holding company	12,842	6,761
Amounts owing by related companies	50,673	22,313
Amounts owing by associated company	50	50
Amount owing by a joint venture company	16	447
Current tax asset	554	497
Short term investments	-	5,438
Fixed deposits with licensed banks	-	33,105
Cash and bank balances	87,462	77,833
Total current assets	727,647	336,676
TOTAL ASSETS	1,373,066	961,026

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement of Financial Position as at 31-March-2022

	As at 31.03.2022 RM'000 Unaudited	As at 31.03.2021 RM'000 Audited
EQUITY AND LIABILITIES		
Equity		
Share capital	100,801	100,801
Revaluation reserve	1,401	1,401
Fair value reserve	(65)	(65)
Retained profits	414,713	367,463
Equity attributable to owners of the Company	516,850	469,600
Non-controlling interests	68,093	66,972
Total equity	584,943	536,572
Non-current liabilities		
Amounts owing to corporate shareholder of subsidiary company	4,201	4,573
Hire purchase payables	1,221	-
Lease liabilities	12,178	10,705
Bank term loans	147,004	216,601
Deferred tax liabilities	22,595	22,882
Total non-current liabilities	187,199	254,761
Current liabilities		
Trade payables	421,774	65,669
Contract liability	1,661	-
Other payables, deposits and accruals	60,077	42,218
Amount owing to immediate holding company	3,070	2,663
Amounts owing to related companies	21,892	16,502
Amounts owing to associated company	940	-
Hire purchase payables	736	-
Lease liabilities	16,375	9,017
Bank term loans	70,708	29,874
Amounts owing to corporate shareholder of subsidiary company	471	479
Current tax liabilities	3,220	3,271
Total current liabilities	600,924	169,693
Total liabilities	788,123	424,454
TOTAL EQUITY AND LIABILITIES	1,373,066	961,026
Net Assets per share (RM)	0.65	0.59

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement of Changes in Equity For Year-To-Date Ended 31-March-2022

	----- A t t r i b u t a b l e t o O w n e r s o f t h e C o m p a n y -----								
	----- Non-distributable -----					-- Distributable --			Total equity RM'000
	Share capital RM'000	Revaluation reserve RM'000	Hedge reserve RM'000	Exchange translation reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interest RM'000	
Balance at 1 April 2020	100,801	1,401	-	(644)	(65)	334,189	435,682	64,577	500,259
Total comprehensive income for the period	-	-	-	644	-	41,274	41,918	2,395	44,313
Dividend paid (Note A8)	-	-	-	-	-	(8,000)	(8,000)	-	(8,000)
Balance at 31 March 2021	100,801	1,401	-	-	(65)	367,463	469,600	66,972	536,572
Balance at 1 April 2021	100,801	1,401	-	-	(65)	367,463	469,600	66,972	536,572
Total comprehensive income for the period	-	-	-	-	-	65,250	65,250	2,471	67,721
Dividend paid (Note A8)	-	-	-	-	-	(18,000)	(18,000)	(1,350)	(19,350)
Balance at 31 March 2022	100,801	1,401	-	-	(65)	414,713	516,850	68,093	584,943

The condensed consolidated statement of change in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Cash Flows For The Year-To-Date Ended 31-March-2022

	Year-To-Date Ended	
	31.03.2022 RM'000 Unaudited	31.03.2021 RM'000 Audited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	88,147	60,689
Adjustments for:		
Bad debts written off	-	147
Allowance for doubtful debts	425	362
Allowance for doubtful debts no longer required	(16)	-
Depreciation of property, plant and equipment	28,956	28,442
Depreciation of right-of-use assets	16,243	11,072
Gain on disposal of property, plant and equipment	(1,168)	(809)
Gain on early termination of lease	(32)	(4)
Loss on derecognition of subsidiary	-	825
Other investments written off	-	18
Fair value gain on short term investments	(69)	(108)
Property, plant and equipment written off	16,025	194
Share of result of associated and joint venture companies, net of tax	(1,171)	(292)
Interest income	(832)	(1,201)
Dividend income	(37)	(37)
Interest expense	13,196	14,397
Loss on disposal of others investment	-	42
Unrealised (gain) / loss on foreign exchange	745	2,405
Operating profit before working capital changes	160,412	116,142
Changes in receivables	(418,063)	(75,655)
Changes in payables	380,450	44,480
Cash generated from operations	122,799	84,967
Interest received	-	952
Net Tax paid	(21,137)	(13,637)
Net Cash generated from operating activities	101,662	72,282
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(46,787)	(41,101)
Proceeds from disposal of property, plant and equipment	1,628	989
Net cash outflow on derecognition of subsidiary	-	(45)
Redemption in short term investments	5,507	-
Investment in joint venture company	(10,550)	-
Purchase of other investment	(38)	-
Proceeds from disposal of other investment	-	24
Repayment from/(advances to) investment in a joint venture	680	-
Interest received	832	249
Dividend received from other investment	37	37
Net cash used in investing activities	(48,691)	(39,847)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of term loan	(28,764)	(76,875)
Payment of HP and finance lease liabilities	(309)	(228)
Interest paid	(13,204)	(14,406)
Payment of lease liabilities	(14,366)	(11,114)
Repayment of amounts owing to corporate shareholder of a subsidiary company	(372)	(372)
Dividend paid	(18,000)	(8,000)
Dividend paid to non-controlling interest of a subsidiary	(1,350)	-
Net cash used in financing activities	(76,365)	(110,995)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(23,394)	(78,560)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	110,938	191,781
EFFECT OF EXCHANGE RATE CHANGES	(82)	(2,283)
CASH AND CASH EQUIVALENTS CARRIED FORWARD	87,462	110,938
Represented by:		
Fixed deposits with a licensed bank	-	33,105
Cash and bank balances	87,462	77,833
	87,462	110,938

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attach to the interim financial statements.

Notes to the Interim Financial Report**Explanatory Notes In Compliance With Malaysian Financial Reporting Standards 134 ("MFRS 134") Interim Financial Reporting****A1. Basis of Preparation**

The interim financial statements have been prepared under the historical cost convention, recoverable value, realisable value and fair value.

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

The interim financial report should be read in conjunction with the Company's audited financial statements for the financial year ended 31 March 2021. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2021.

A2. Adoption of Standards, Amendments and Annual Improvements to Standards**(a) Application of new or revised standards**

In the current period, the Group and the Company applied a number of new or revised standards, amendments and interpretations that become effective mandatorily for the financial periods beginning on or after 1 April 2021.

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

(b) Standards issued that are not yet effective

The Group and the Company have not applied the following standards, amendments and IC Interpretation that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective:

MFRSs, Amendments to MFRSs and IC Interpretations		Effective Date
Amendments to MFRS1, MFRS 9, MFRS 16 and MFRS 141	Annual Improvements to MFRS Standards 2018 – 2020 Cycle	1 January 2022
Amendments to MFRS 3	Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116	Property, Plant and Equipment– Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101	Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
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

The adoption of the above new standards, amendments and interpretations are not expect to have significant impact on the financial statements of the Group and of the Company.

A3. Audit Report

The Audit Report of the Group's annual financial statements for the financial year ended 31 March 2021 was not subjected to any qualification.

A4. Seasonal or Cyclical Factors

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

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

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows in the current quarter under review.

A6. Changes In Estimates

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

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

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

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

A8. Dividends paid

The following dividends were paid during the current and previous corresponding financial periods ended:

<u>Interim /final dividend</u>	As at 31.03.2022 RM'000	As at 31.03.2021 RM'000
Final dividend in respect of the financial year ended 31 March 2020 - 2.0 sen single-tier dividend per ordinary share, paid on 27 July 2020	-	4,000
Interim dividend in respect of the financial year ended 31 March 2021 - 2.0 sen single-tier dividend per ordinary share, paid on 30 November 2020	-	4,000
Final dividend in respect of the financial year ended 31 March 2021 - 1.25 sen single-tier dividend per ordinary share paid on 03 June 2021	10,000	-
Interim dividend in respect of the financial year ended 31 March 2022 - 1.0 sen single-tier dividend per ordinary share, paid on 12 November 2021	8,000	-
	18,000	8,000

A9. Segmental Reporting

	Segmental Revenue		Segmental Result (PBT)	
	12 months ended		12 months ended	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
International Business Solutions				
Air Freight Forwarding Division	512,657	288,599	47,581	22,583
Ocean Freight Forwarding Division	319,708	117,759	14,640	3,042
	832,365	406,358	62,221	25,625
Domestic Business Solutions				
Contract Logistics Division	428,579	342,467	43,278	34,425
Cold Supply Chain Division	135,848	126,003	8,556	9,918
Trucking Division	84,620	71,784	619	(2,035)
	649,047	540,254	52,454	42,308
Others	-	-	(26,528)	(7,244)
Total	1,481,413	946,612	88,147	60,689

A10. Valuation of Property, Plant and Equipment

There were no revaluations of property, plant and equipment under current period review. As at 31 March 2022, all property, plant and equipment were stated at cost less accumulated depreciation.

A11. Subsequent Events

There was no material event subsequent to the end of the current quarter.

A12. Changes in Composition of the Group

There were no changes in the composition of the Group in the current quarter under review.

Explanatory Notes In Compliance With Malaysian Financial Reporting Standards 134 ("MFRS 134") Interim Financial Reporting
A13. Contingent Assets and Liabilities

Except for below items, there were no material contingent assets and liabilities since 31 March 2022 to the date of this report:

	As at 31.03.2022 RM'000	As at 31.03.2021 RM'000
Corporate guarantees in favour of suppliers of its joint venture company, YLTC Sdn Bhd for supplying goods and services on credit	3,000	5,400
Corporate guarantee in favour of a licensed bank of its joint venture company, YLTC Sdn Bhd for trade facilities	7,150	7,150
Corporate guarantee in favour of licensed banks of its subsidiary company, Gold Cold Transport Sdn Bhd for repayment of term loan to finance the land and building	29,478	33,776
Corporate guarantee in favour of supplier of its subsidiary company, Maya Kekal Sdn Bhd for supplying of goods on credit	13,000	-
Corporate guarantees in favour of Swift Logistics Integrated Logistics (SIL) for Hypercold Logistics Sdn Bhd's loan which is 100% guaranteed by SIL	2,176	-
	54,804	46,326

A14. Capital Commitment

Authorised and contracted for
- acquisition of property, plant and equipment
- construction of warehouse building

	As at 31.03.2022 RM'000	As at 31.03.2021 RM'000
	6,364	9,713
	136,843	-
	143,207	9,713

A15. Related Party Disclosures

	12 month ended	
	31.03.2022 RM'000	31.03.2021 RM'000
Transaction with subsidiary companies		
Rental of trucks paid and payable to subsidiary companies	272	305
Labour charges paid and payable to subsidiary companies	34,945	30,670
Labour charges received and receivable from subsidiary companies	268	335
Handling fees paid and payable to a subsidiary company	2,905	520
Handling fees received and receivable from a subsidiary company	643	127
Related logistic services paid and payable to a subsidiary company	425	1,666
Related logistic services received and receivable from a subsidiary company	3,287	9,846
Rental of premises paid and payable to a subsidiary company	6,593	4,885
Rental of premises received and receivable from subsidiary companies	2,483	715
Rental of trucks received and receivable from subsidiary company	1,514	2,051
Loan received and receivable from subsidiary companies	13,418	13,306
Purchase of property, plant and equipment	-	20
Interest received and receivable from subsidiary companies	1,048	799
Disposal of property, plant and equipment to subsidiary companies	60	-
Transaction with immediate holding company		
Related logistic services received and receivable	100,236	67,627
Related logistic services paid and payable	45,936	36,902
Management services fee paid and payable	11,373	9,717
IT fees paid and payable	193	201
Transaction with related companies		
Related logistic services received and receivable	239,487	112,803
Related logistic services paid and payable	219,832	108,066
IT fees paid and payable	2,427	2,311
Transaction with associated company		
Rental of premises paid	752	-
Accounting fee received from an associated company	-	19
Transaction with joint venture company		
Related logistic services received and receivable	195	2,714
Transaction with corporate shareholder of subsidiary company		
Repayment to corporate shareholder of subsidiary company	372	372
Interest paid and payable	257	277
Transaction with a company related to significant shareholder and directors		
Rental of premises paid and payable	1,225	747

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

B1. Performance Review : Year-to-date April 2021-March 2022 vs Year-to-date April 2020-March 2021

	12 months ended			
	31.03.2022	31.03.2021	Changes	
	RM'000	RM'000	RM'000	%
Revenue	1,481,413	946,612	534,801	56.5%
Profit from operations	100,172	74,794	25,378	33.9%
Profit before Interest and tax	101,343	75,086	26,257	35.0%
Profit before taxation	88,147	60,689	27,458	45.2%
Profit after taxation	67,721	43,669	24,052	55.1%
Profit Attributable to Ordinary Equity Holders of the Parent	65,250	41,274	23,976	58.1%

The Group achieved a record revenue of RM1.48 billion for the financial year ended 31 March 2022 ("FY2022"), as against RM946.6 million of last financial year ("FY2021"), an increase of RM534.8 million (56.5 per cent) year-on-year ("y-o-y"). Revenue of International Business Solutions ("IBS") recorded an increase from RM406.4 million to RM832.4 million, an improvement of RM426.0 million (104.8 per cent). Revenue from Domestic Business Solutions ("DBS") also recorded an increase of RM108.8 million (20.1 per cent) from RM540.2 million to RM649.0 million.

The broad-based recovery of business activities and reopening up of the economy in stages pursuant to the post-MCO National Recovery Plan coupled with global supply chain disruptions prompted customers to source for more shipment modes to ship their cargo, and requiring better supply chain solutions and warehouse space to keep inventory to mitigate supply chain disruption to their businesses. This led to much improved revenue and profits of both IBS and DBS segments in FY2022.

In the IBS segment, Air Freight Forwarding ("AFF") division posted an increase in revenue of RM224.0 million (77.6 per cent), from RM288.6 million to RM512.6 million. The increase was largely contributed from automotive parts, aerospace, electronic components, semiconductor, capacitor, healthcare, business equipment, car rubber mat manufacturing, synthetic resin and polymer manufacturing customers. In addition to elevated sea freight rates, newly secured customers together with increase business volume contribution from existing customers boosted revenue of OFF division to soar from RM117.8 million to RM319.7 million, a y-o-y increase of RM201.9 million (171.5 per cent).

In the DBS segment, Contract Logistics ("CL") division performed strongly to contribute y-o-y increase in revenue of RM86.1 million (25.1 per cent), from RM342.5 million to RM428.6 million. Within CL division, newly secured food manufacturing customer coupled with increased cargo and shipments volume of existing E&E (electronic & electrical), solar panel, musical instrument, semiconductor, flooring/timber products and consumer retail customers helped to push all businesses of CL division to record surge in revenue. Revenue of customs clearance business rose by RM48.8 million (34.2 per cent), from RM142.6 million to RM191.4 million. Revenue of haulage business was up by RM4.8 million (7.7 per cent), from RM61.8 million to RM66.6 million. Revenue of warehouse business hiked from RM114.8 million to RM142.2 million, an increase of RM27.4 million (23.9 per cent). Increase in warehouse revenue was also attributable to increased demand for warehouse space as Covid-19 pandemic and supply chain disruption prompted many manufacturers to source additional storage space for inventory. Revenue of in-plant business rose by RM5.1 million (22.0 per cent), from RM23.3 million to RM28.4 million. The Cold Supply Chain ("CSC") division continued to contribute consistent revenue to DBS segment by posting an increase of RM9.8 million (7.8 per cent), from RM126.0 million to RM135.8 million. Increase in CSC revenue was mainly contributed from ice-cream, poultry & meat business and newly secured retail customers businesses. As for Trucking division, increase in new customers in healthcare, food manufacturing, E&E and fast food chain coupled with increased deliveries of existing E&E, consumer retail, automotive as well as cross-border Thailand and Singapore trucking services drove revenue of Trucking division to rise from RM71.8 million to RM84.6 million, a y-o-y increase of RM12.8 million (17.9 per cent).

Profit from operations for the year ended 31 March 2022 rose by RM25.4 million (33.9 per cent) from RM74.8 million to RM100.2 million. Profit before taxation ("PBT") for the year ended 31 March 2022 increased from RM60.7 million to RM88.1 million, an increase of RM27.4 million (45.2 per cent), and profit after tax ("PAT") for the year went up from RM43.7 million to RM67.7 million, a y-o-y increase of RM24.0 million (55.1 per cent).

With an increase in revenue and better profit margin in IBS segment, PBT of IBS segment surged by 142.8 per cent (RM36.6 million), from RM25.6 million to RM62.2 million y-o-y. Within IBS, PBT of AFF division doubled from RM22.6 million to RM47.6 million, an increase of RM25.0 million (110.7 per cent), while PBT of OFF division soared with an increase of RM11.6 million (381.3 per cent), from RM3.0 million to RM14.6 million y-o-y.

PBT of DBS segment was also uplifted by RM10.1 million (24.0 per cent) from RM42.3 million to RM52.4 million y-o-y. The increase was contributed by both CL and Trucking divisions. PBT of CL division rose from RM34.4 million to RM43.3 million, up by RM8.9 million (25.7 per cent). PBT of CL division was largely contributed from Warehouse and Haulage divisions which contributed PBT increase of RM8.9 million (46.5 per cent) and RM0.5 million (6.6 per cent) respectively, while Custom Clearance division posted a marginal increase of RM0.03 million (0.7 per cent). The increase in PBT was partially offset by PBT drop of RM0.6 million (17.3 per cent) from In-Plant division due to rising labour costs, PBT dropping from RM3.3 million to RM2.7 million. PBT of Trucking division improved from loss of RM2.0 million to PBT of RM0.6 million, an increase of RM2.7 million (130.4 per cent) on the back of increased sales and improvement of truck fleet utilisation. PBT of CSC division on the other hand reported a decrease in PBT of RM1.4 million (13.7 per cent) despite higher sales, mainly attributable to incurrance of start-up operating expenses of a consumer retail business, increased non-operating expenses of loss on disposal of PPE and reduction in other income and interest received from short-term placement with banks.

However, PBT for the above business segments was significantly offset due to the Group registered an exceptional one-time expense which amounted to RM15.9 million under Support segment, consisting primarily of the write-off of the balance net book value of a block of warehouse building located at our Shah Alam Logistics Centre. The block which consists of a single-storey warehouse was demolished to make way for reconstruction of a new 4-storey modern warehouse to expand the future logistics capacity of our Group.

Profit after tax ("PAT") increased from RM43.7 million to RM67.7 million, an increase of 55 per cent. Other than higher PBT, the Group has also started to utilise its investment tax incentive under the Integrated Logistics Scheme ("ILS"), resulting in a lower effective corporate tax rate.

B2. Comparison with Previous Year Corresponding Quarter's Results : January 2022 to March 2022 vs January 2021 to March 2021

	3 months ended			
	31.03.2022	31.03.2021	Changes	
	RM'000	RM'000	RM'000	%
Revenue	420,761	295,884	124,877	42.2%
Profit from operations	33,257	26,509	6,748	25.5%
Profit before Interest and tax	33,594	26,580	7,014	26.4%
Profit before taxation	30,375	23,163	7,212	31.1%
Profit after taxation	25,701	16,687	9,014	54.0%
Profit Attributable to Ordinary Equity Holders of the Parent	24,985	16,339	8,646	52.9%

The Group's revenue of the fourth quarter ended 31 March 2022 ("4QFY2022") was registered at RM420.8 million, as against revenue of RM295.9 million of the corresponding quarter ended 31 March 2021 ("4QFY2021"). This represents an increase of RM124.9 million (42.2 per cent). IBS segment posted a significant increase of RM117.8 million (84.4 per cent), from RM139.6 million to RM257.3 million, whilst revenue of DBS segment rose by RM7.1 million (4.5 per cent), from RM156.3 million to RM163.4 million quarter-on-quarter ("q-o-q").

Business recovery and global supply chain disruptions as well as elevated freight rates boosted AFF & OFF divisions to higher q-o-q revenue. AFF posted RM51.8 million (52.9 per cent) increase in revenue from RM98.0 million to RM149.8 million, mainly contributed from automotive parts, aerospace, electronic components, semiconductor, capacitor, healthcare, business equipment, car rubber mat manufacturing, synthetic resin and polymer manufacturing customers. Revenue of OFF soared from RM41.6 million to RM107.5 million, an increase of RM65.9 million (158.5 per cent), mainly contributed from aerospace, aluminium, F&B, healthcare, glass products and plastics polymer manufacturing customers.

Recovery of business activities boosted all businesses of DBS segment to record higher q-o-q revenue. Within the DBS segment, revenue of CL division rose by RM1.5 million (1.4 per cent), from RM103.1 million to RM104.6 million. Revenue of Trucking division was up from RM21.3 million to RM23.5 million, an increase of RM2.2 million (10.4 per cent) on the back of newly secured food manufacturing, existing automotive, healthcare and solar panel panel customers. CSC showed an increase of RM3.4 million (10.7 per cent), from RM31.9 million to RM35.3 million on the back of increased consumer retail, poultry & meat, fast food chain and ice cream customers. Revenue increase in CL was largely contributed from Warehouse and In-Plant businesses. Revenue of Warehouse business rose by RM3.7 million (11.3 per cent), mainly contributed from semiconductor, E&E and solar panel customer. Revenue of In-Plant business was up by RM 2.0 million (30.2 per cent), largely contributed from newly secured food manufacturing customer and E&E customers. On the hand, drop in business of a solar panel customer resulted in revenue of Custom Clearance and Haulage businesses to drop by RM3.3 million (7.1 per cent) and RM0.9 million (5.2 per cent) respectively q-o-q.

PBT for Q4FY2022 increased from RM23.2 million to RM30.4 million as against previous year corresponding quarter, an increase of RM7.2 million (31.1 per cent). PAT for Q4FY2022 rose by RM9.0 million (54.0 per cent) from RM16.7 million to RM25.7 million. IBS segment recorded an increase of RM11.7 million (113.8 per cent) from RM10.3 million to RM21.9 million while DBS segment posted a decrease of RM3.0 million (24.1 per cent) from RM12.5 million to RM9.5 million. However, PBT generated from operating business segments was partially offset by increased expenses of RM1.5 million, mainly due to reduction in unrealised forex gain.

Within IBS segment, PBT of AFF division doubled from RM8.3 million to RM16.6 million, an increase in PBT of RM8.3 million (100.0 per cent) q-o-q on the back of higher revenue and higher profit margins. More than double-fold revenue increase coupled with better margin especially for long haul shipments drove PBT of OFF division to rise sharply from RM1.9 million to RM5.3 million, an increase of RM3.3 million (172.3 per cent).

Within the DBS segment, Trucking division reported an increase in PBT of RM0.5 million (590.7 per cent) whereas PBT of CL business dropped from RM10.2 million to RM7.1 million, a drop of RM3.1 million (30.5 per cent). The result is further burdened by the decrease in CSC PBT of RM0.4 million (18.3 per cent) q-o-q. Drastic drop in PBT of CL business was mainly bogged down by lower PBT recorded in custom clearance and haulage businesses, a drop of RM1.9 million (165.3 per cent) and RM0.8 million (29.9 per cent) respectively. Warehouse and In-plant businesses experienced PBT decline by RM0.1 million (2.2 per cent) and RM0.3 million (28.0 per cent) respectively.

Profit after tax ("PAT") increased from RM16.7 million to RM25.7 million, an increase of 54 per cent. Other than higher PBT, the Group has also started to utilise its investment tax incentive under the ILS, resulting in a lower effective corporate tax rate.

B3. Comparison with Preceding Quarter's Results: January 2022 to March 2022 vs October 2021 to December 2021

	3 months ended			
	31.03.2022	31.12.2021	Changes	
	RM'000	RM'000	RM'000	%
Revenue	420,761	455,087	(34,326)	-7.5%
Profit from operations	33,257	15,326	17,931	117.0%
Profit before Interest and tax	33,594	15,714	17,880	113.8%
Profit before taxation	30,375	12,466	17,909	143.7%
Profit after taxation	25,701	9,621	16,080	167.1%
Profit Attributable to Ordinary Equity Holders of the Parent	24,985	8,813	16,172	183.5%



B3. Comparison with Preceding Quarter's Results: January 2022 to March 2022 vs October 2021 to December 2021 (continue)

The Group's revenue of the fourth quarter ended 31 March 2022 ("4QFY2022") was registered at RM420.8 million, as against revenue of RM455.1 million of the preceding quarter ended 31 December 2021 ("3QFY2022"). This represents a decrease of RM34.3 million (7.5 per cent). IBS segment posted a decline of RM37.1 million (12.6 per cent) while DBS segment recorded marginal increase by RM2.7 million (1.7 per cent) as against 3QFY2022.

Within the IBS segment, revenue of AFF division was down by RM35.0 million (18.9 per cent), from RM184.8 million to RM149.8 million against the preceding quarter, whilst OFF posted a decline of RM2.1 million (1.9 per cent), from RM109.6 million to RMRM107.5 million. The drop in revenue was mainly due to seasonally high shipments in the preceding quarter for international freight business, as compared to 4QFY2022. Shipment mode switch by customers from airfreight to seafreight mode in 4QFY2022 also contributed to the drop in AFF revenue. Some impact was also seen due to the Russia conflict in Ukraine since February 2022, whereby certain customer shipments to these 2 countries were impacted.

Within DBS segment, CSC business contributed an increase revenue of RM2.0 million (6.0 per cent) from RM33.3 million to RM35.3 million, mainly contributed from retail and poultry and meat business. Newly secured beverage customer and increased deliveries of F&B and cross-border business drove Trucking division to post an increase of RM1.6 million (7.5 per cent), from RM21.9 million to RM23.5 million against last preceding quarter. However, the increases from CSC and Trucking division were partially offset against revenue drop in CL segment. Revenue CL was slightly down by 0.9 per cent (0.9 million), from RM105.5 million to RM104.6 million. Within CL division, revenue of Warehouse, Haulage and In-Plant divisions rose by RM1.2 million (7.7 per cent), RM0.2 million (0.6 per cent) and RM1.3 million (18.0 per cent) respectively, while revenue of Custom Clearance division dropped by RM3.6 million (7.9 per cent).

PBT for Q4FY2022 surged from RM12.5 million to RM30.4 million as against preceding quarter, an increase of RM17.9 million (143.7 per cent). IBS segment recorded an increase of RM1.7 million (8.5 per cent) from RM20.2 million to RM21.9 million. DBS segment recorded a decrease of RM5.6 million (37.1 per cent) from RM15.0 million to RM9.5 million. However, reduction of expenses of RM21.7 million from Support further boosted the PBT. The expenses reduction in Support segment was mainly due to incurrence of exceptional one-time expense in the last preceding quarter 3QFY2022 amounting to RM15.9 million, on write-off of the balance net book value of a warehouse building block at our Shah Alam Logistics Centre due to demolition to make way for rebuilding of a new 4-storey warehouse facility, as well as damaged PPE hit by flood.

Within IBS segment, AFF posted higher PBT of RM1.7 million (11.2 per cent), from RM15.0 million to RM16.7 million, despite revenue was declined in 4QFY2022. The PBT increase was mainly attributable to recovery of freight surcharge cost from customer for US shipments. Whilst PBT of OFF business slightly increased by RM0.04 million (0.8 per cent) from RM5.2 million to RM5.3 million.

PBT from DBS segment was down from RM15.0 million to RM9.5 million, a decline of RM5.5 million (37.1 per cent) against 3QFY2022. Within in DBS segment, PBT of CL, CSC and Trucking divisions dropped by RM4.8 million (40.6 per cent), RM0.5 million (19.5 per cent) and RM0.3 million (37.7 per cent) respectively. Within CL business, except for Haulage business showed an increase PBT of RM0.5 million (30.5 per cent), Custom Clearance, Warehouse and In-Plant businesses experienced decline in PBT by RM2.4 million (145.5 per cent), RM2.7 million (34.2 per cent) and RM0.2 million (22.5 per cent) respectively.

B4. Prospects for the Next Financial Year

In the latest World Economic Outlook report ("WEO") released on 19 April 2022, the International Monetary Fund ("IMF") said that global economic prospects have deteriorated significantly since the last WEO forecast in January 2022. This is largely due to Russia's conflict in Ukraine and the resulting economic sanctions imposed against the former by the West. In addition to the conflict in Ukraine, lockdowns in China due to the recent flare-up of Covid over there have also slowed activity and could cause new bottlenecks in global supply chains. Higher, broader, and more persistent price pressures also led to a tightening of monetary policy in many countries. Overall risks to economic prospects have risen sharply and policy trade-offs have become ever more challenging. Beyond the immediate humanitarian impacts, the war will severely set back the global recovery, slowing growth and increasing inflation even further. The WEO report projects global growth at 3.6 percent in 2022 and 2023, 0.8 and 0.2 percentage point lower than in the January forecast, respectively. The downgrade largely reflects the war's direct impacts on Russia and Ukraine and global spillovers due to the conflict.
(Source: WEO dated 19 April 2022)

On the local front, Bank Negara Malaysia ("BNM") has, in its Economic and Monetary Review 2021 ("EMR 2021") released on 30 March 2020, projected Malaysia's economy to grow by between 5.3 percent and 6.3 percent in 2022. This is slightly lower than the government's official GDP forecast of 5.5 percent to 6.5 percent growth for the year. BNM expects the recovery in the Malaysian economy to gain momentum in 2022, underpinned by continued expansion in external demand, full upliftment of Covid containment measures, reopening of international borders and further improvement in labour market conditions, amongst other factors. BNM also said the external sector will continue to be supported by strong global demand for E&E products amid the continued technology up-cycle, with gross exports projected to grow by 10.9%, compared with 26% in 2021. Meanwhile, gross imports are expected to increase by 8.1%, compared with 23.3% in 2021. But Malaysia will also be affected by the impact of the military conflict in Ukraine on global growth, BNM said, adding however that the corresponding rise in global commodity prices are expected to provide support to commodity exports and some lift to nominal incomes. Nevertheless, given the rapidly evolving macroeconomic environment, BNM said risks to the domestic growth projection remain tilted to the downside. These risks mainly stem from developments surrounding Covid-19, slower-than-expected rollout of public infrastructure projects, more persistent labour shortages, supply chain disruptions, and higher inflation.
(Source: BNM's Economic and Monetary Review 2021 dated 30 March 2022)

**B4. Prospects for the Next Financial Year (continue)**

As the health of the logistics industry is closely aligned with the economic activity and international trade, the prospects of the Group are closely tied to the performance of the global as well as the Malaysian economy. Despite the challenging economic backdrop over the course of the last financial year caused by the pandemic, the business model of our Group has continued to prove its resilience. We are very pleased to announce that for FY2022, our Group has managed to surpass RM1 billion sales for the first time in our history. As noted above, our Group achieved sales revenue of approximately RM1.48 billion for the full financial year. At the same time, we have also registered the highest profit thus far in our record. Of significant note is the better all-round broad-based performance posted in both our IBS and DBS segments, signifying depth in the strength of our business performance. Going forward into the new financial year, the global economy seems to be on the mending path from the Omicron variant due to the milder disease as well as more broad-based immunity conferred on the population as a result of the mass rollout of Covid vaccines. As such many countries, including Malaysia, have started to embark on a policy of living with the virus in order to continue economic activity. We are optimistic that post-pandemic recovery and reopening up of the economy will augur well for our Group as logistics business thrives on economic activity and international trade. While we have to some extent managed to capitalise on pandemic-driven circumstances in our favour, however our business success is built on strong business fundamentals, insightful strategies and prudent management. We have begun to utilise our tax incentive under the ILS starting from the quarter under review, resulting in lower corporate tax rate payable. Recall that the ILS tax incentive was awarded by the government for a 5-year period to assist the Group to expand its logistics capacity. The impact of the tax incentive was reflected in the Group's lower corporate tax rate for FY2022 as well as the next 5 financial years. Leveraging on the ILS for our next phase of growth, we have embarked on a 5-year plan to expand our logistics capacity resources of warehouse space and logistics equipment. We have started the expansion plan by demolishing an old single-storey warehouse block at our Shah Alam Logistics Centre (SALC). The demolition has resulted in a one-time exceptional charge to our P&L due to write-off of the balance net book value of the warehouse block. Approximately 180,000 square foot of old single-storey warehouse space was demolished in Phase 1 of the SALC expansion plan in order to rebuild into a modern 4-storey warehouse of approximately 650,000 square foot warehouse space, creating a net increase of some 470,000 square foot of warehouse space. Phase 1 is expected to be completed by end 2023, whereby we expect to then embark on Phase 2 to build another approximately 500,000 square foot of warehouse space. Looking into the prospects of the Group for the next financial year, barring any unforeseen circumstances, we are cautiously optimistic of our performance. Downside risks for the Group will be the inflationary pressures on operating costs (including the effect of the forthcoming minimum wage increase), labour shortage and the potential appearance of new COVID-19 variant which may cause a roll-back in the reopening of the economy. While we do not have any significant exposure to the economic activity in Russia and Ukraine, nevertheless the wider economic ramifications caused by the Ukraine conflict may be felt by us in the form of higher energy and other costs. We will continue to maintain our strategy to focus on servicing our customers with innovative logistics solutions and expand our logistics capacity when it is beneficial to our shareholders' value.

B5. Profit Forecast

Not applicable as there is no forecast / profit guarantee.

B6. Tax Expense

	3 months ended		Cumulative 12 months Ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Income tax				
- Current tax	(4,676)	(4,930)	(21,394)	(17,405)
- Overprovision in prior years	58	(17)	365	257
Deferred tax				
- Current year	(347)	(2,138)	542	(172)
- Underprovision in prior years	292	609	62	300
	(4,674)	(6,476)	(20,426)	(17,020)

The Group's effective tax rate for the current financial period and the cumulative 12 months ended 31 March 2022 were slightly lower than the Malaysia statutory rate of 24% mainly due to the qualifying capital expenditure claimed under the Investment Tax Allowance during the current financial period.

The Group's effective tax rate for the last comparative financial period and cumulative 12 months ended 31 March 2021 were higher than statutory tax rate of 24% mainly due to non-deductible expenses.

B7. Corporate Proposals

There were no new proposals made for the quarter under review.

B8. Borrowing

	As at 4th quarter ended 31.03.2022					
	Long term		Short term		Total borrowing	
	Denomination in		Denomination in		Denomination in	
Foreign ('000)	RM ('000)	Foreign ('000)	RM ('000)	Foreign ('000)	RM ('000)	
Hire purchase and finance lease liabilities	-	1,221	-	736	-	1,957
Lease liabilities under MFRS 16	-	12,178	-	16,375	-	28,553
Bank loan (unsecured)	-	122,934	-	65,300	-	188,234
Bank loan (secured)	-	24,070	-	5,408	-	29,478
Amounts owing to corporate shareholder of subsidiary company	-	4,201	-	471	-	4,672
Total borrowings	-	164,604	-	88,290	-	252,894

B8. Borrowing (continue)

	As at 4th quarter ended 31.03.2021					
	Long term		Short term		Total borrowing	
	Denomination in		Denomination in		Denomination in	
Foreign ('000)	RM ('000)	Foreign ('000)	RM ('000)	Foreign ('000)	RM ('000)	
Hire purchase liabilities	-	-	-	-	-	-
Lease liabilities under MFRS 16	-	10,705	-	9,017	-	19,722
Bank loan (unsecured)	-	188,233	-	24,467	-	212,700
Bank loan (secured)	-	28,368	-	5,408	-	33,776
Amounts owing to corporate shareholder of subsidiary company	-	4,573	-	479	-	5,052
Total borrowings	-	231,879	-	39,371	-	271,250

The above secured bank loan are secured by legal charge over the freehold land, buildings and warehouse of a subsidiary company and are guaranteed by the Company.

B9. Litigation

There was no material litigation pending since 31 March 2022 to the date of this report.

B10. Dividend Proposed

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

B11. Earnings Per Share

	3 months ended		Cumulative 12 months Ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
PAT after non-controlling interest (RM'000)	24,985	16,339	65,250	41,274
Weighted average number of ordinary shares in issue ('000)	800,000	800,000	800,000	800,000
Earnings per share (sen)	3.12	2.04	8.16	5.16

The Company does not have any dilutive potential ordinary shares outstanding as at 31 March 2022. Accordingly, no diluted earnings per share is presented.

B12. Derivative Financial Instruments

There is no derivative financial instrument for the Group as at 31 March 2022 and 31 March 2021.

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



B13. Profit for the year

	3 months ended		Cumulative 12 months Ended	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Profit for the period is stated after crediting:				
Interest income	201	131	832	1,201
Fair value gain on short term investments	1.77	23	69	108
Other income	1,509	199	3,852	1,508
Gain on disposal of property, plant and equipment	1,190	440	1,168	809
Allowance for doubtful debts no longer required	-	-	16	818
Gain on early termination of lease	32	4	32	4
Realised foreign exchange gain	-	-	-	-
Unrealised foreign exchange gain	-	-	-	-
and after charging:				
Interest expenses	3,219	3,417	13,196	14,397
Property, plant and equipment written off	102	194	16,025	194
Depreciation of property, plant and equipment	7,310	6,997	28,956	28,442
Amortisation of right-of-use assets	5,231	4,050	16,243	11,072
Allowance for doubtful debts	122	48	425	362
Loss on disposal of property, plant and equipment	-	-	-	-
Realised foreign exchange loss	7	828	305	552
Unrealised foreign exchange loss	(482)	153	745	2,405
Loss on derecognition of subsidiary	-	-	-	825
Loss on disposal of other investment	-	29	-	42

Unless otherwise indicated above, there were no gain or loss on disposal of quoted or unquoted investment or real properties, impairment of assets, gain or loss on derivatives or exceptional item for current quarter and financial period ended 31 March 2022.

By the order of the Board of Directors
28 April 20222