

ANCOM LOGISTICS BERHAD (Company No.: 6614-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MAY 2013**

	Individual quarter ended		Year-to-date ended	
	31.05.2013	31.05.2012	31.05.2013	31.05.2012
	RM'000	RM'000	RM'000	RM'000
Revenue	14,973	16,324	61,610	62,069
Cost of sales	(10,548)	(11,775)	(44,999)	(44,321)
Gross profit	4,425	4,549	16,611	17,748
Other income	141	217	550	326
Distribution expenses	-	(204)	-	(204)
Administrative expenses	(2,965)	(3,377)	(13,929)	(12,109)
Other operating expenses	10	26	(24)	-
	1,611	1,211	3,208	5,761
Finance costs	(168)	(211)	(489)	(598)
Profit from operations	1,443	1,000	2,719	5,163
Share of results of associate	-	(31)	-	(31)
Profit before taxation	1,443	969	2,719	5,132
Tax expense	(423)	(317)	(924)	(1,717)
Net profit	1,020	652	1,795	3,415
Profit attributable to:				
Equity holders of the Company	637	380	632	2,363
Non-controlling interests	383	272	1,163	1,052
	1,020	652	1,795	3,415
Earnings per ordinary share attributable to equity holders of the Company	Sen	Sen	Sen	Sen
- Basic	0.13	0.08	0.13	0.50

TOTAL COMPREHENSIVE INCOME				
Net profit	1,020	652	1,795	3,415
Other comprehensive income				
Foreign currency translation	(601)	737	(262)	293
Other comprehensive income/(loss), net of tax	(601)	737	(262)	293
Total comprehensive income	419	1,389	1,533	3,708
Total comprehensive income attributable to:				
Equity holders of the Company	36	1,117	370	2,656
Non-controlling interests	383	272	1,163	1,052
	419	1,389	1,533	3,708

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2012 and the accompanying notes to this Interim Financial Report.

ANCOM LOGISTICS BERHAD (Company No.: 6614-W)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2013**

	Unaudited 31-05-2013 RM'000	Audited 31-05-2012 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	68,389	73,217
Investment in associate	2,802	2,802
Intangible assets	362	428
Deferred tax assets	-	115
	71,553	76,562
Current assets		
Inventories	659	696
Trade receivables	12,553	12,324
Other receivables and other current assets	5,122	3,319
Tax recoverable	983	652
Other investments	-	1,549
Short term deposits with licensed banks	517	101
Cash and bank balances	5,061	4,644
	24,895	23,285
TOTAL ASSETS	96,448	99,847
EQUITY AND LIABILITIES		
Current liabilities		
Trade payables	2,927	3,937
Other payables	6,451	4,811
Loan and borrowings	7,058	8,516
Provision for taxation	303	453
	16,739	17,717
Net current assets	8,156	5,568
Non-current liabilities		
Deferred tax liabilities	8,362	8,280
Loan and borrowings	1,479	2,602
	9,841	10,882
TOTAL LIABILITIES	26,580	28,599
NET ASSETS	69,868	71,248
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital	47,329	47,329
Share premium	6,414	6,414
Reserves	8,264	11,246
Accumulated loss	(5,533)	(6,518)
	56,474	58,471
Non-controlling interests	13,394	12,777
TOTAL EQUITY	69,868	71,248
TOTAL EQUITY AND LIABILITIES	96,448	99,847
Net assets per share (RM)	0.15	0.15

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2012 and the accompanying notes to this Interim Financial Report.

ANCOM LOGISTICS BERHAD (Company No.: 6614-W)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MAY 2013

	Attributable to equity holders of the Company						Total RM'000	Minority interest RM'000	Total equity RM'000
	Non-Distributable			Distributable					
	Share capital RM'000	Share premium RM'000	Merger reserve RM'000	Revaluation reserve RM'000	Foreign exchange reserve RM'000	Retained profits RM'000			
As at 1 June 2011	47,329	6,414	8,526	2,353	74	585	65,281	12,705	77,986
Effects of adopting Malaysian Financial Reporting Standards ("MFRS") 1	-	-	-	(2,353)	(367)	2,720	-	-	-
	47,329	6,414	8,526	-	(293)	3,305	65,281	12,705	77,986
Total comprehensive income	-	-	-	-	293	2,363	2,656	1,052	3,708
Transactions with owners									
Dividends paid to non-controlling interest of subsidiary	-	-	-	-	-	-	-	(980)	(980)
Dividends on ordinary shares	-	-	-	-	-	(9,466)	(9,466)	-	(9,466)
Balance at 31 May 2012	47,329	6,414	8,526	-	-	(3,798)	58,471	12,777	71,248
As at 1 June 2012	47,329	6,414	8,526	2,353	367	(6,518)	58,471	12,777	71,248
Effects of adopting MFRS 1	-	-	-	(2,353)	(367)	2,720	-	-	-
	47,329	6,414	8,526	-	-	(3,798)	58,471	12,777	71,248
Total comprehensive income	-	-	-	-	(262)	632	370	1,163	1,533
Dividends paid to minority interests of subsidiary	-	-	-	-	-	-	-	(980)	(980)
Minority interest portion of increase in paid-up capital of a subsidiary	-	-	-	-	-	-	-	434	434
Dividends on ordinary shares	-	-	-	-	-	(2,367)	(2,367)	-	(2,367)
Balance at 31 May 2013	47,329	6,414	8,526	-	(262)	(5,533)	56,474	13,394	69,868

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2012 and the accompanying notes to this Interim Financial Report.

ANCOM LOGISTICS BERHAD (Company No.: 6614-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FINANCIAL YEAR ENDED 31 MAY 2013**

	Year-to-date ended	
	31-05-2013 RM'000	31-05-2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,719	5,132
Adjustments for non-cash items:		
Depreciation	6,885	6,860
Interest expense	489	598
Interest income	-	(12)
Impairment of investment in an associate	-	1,069
Others	90	25
Operating profit before working capital changes	10,183	13,672
Net changes in working capital	(646)	2,417
Income tax paid	(1,201)	(1,365)
Net cash generated from operating activities	8,336	14,724
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	-	12
Purchase of property, plant and equipment	(2,859)	(4,018)
Additional investments in other investments	-	(1,800)
Proceed from sale of other investments	1,549	2,100
Others	-	(187)
Net cash used in investing activities	(1,310)	(3,893)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(489)	(598)
Dividend paid	(2,366)	(9,466)
Dividend paid to non-controlling interest	(980)	(980)
Repayments of loans	(1,913)	(3,028)
Others	(228)	-
Net cash used in financing activities	(5,976)	(14,072)
Net increase / (decrease) in cash and cash equivalents	1,050	(3,241)
Cash and cash equivalents at the beginning of the financial year	1,909	4,857
Effect of exchange rate changes	(17)	293
Cash and cash equivalents at the end of the financial year	2,942	1,909
Cash and cash equivalents		
Cash and bank balances	5,061	4,644
Short term deposits with licensed banks	517	101
	5,578	4,745
Bank overdrafts	(2,636)	(2,836)
	2,942	1,909

The Unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2012 and the accompanying notes to this Interim Financial Report.

ANCOM LOGISTICS BERHAD

(Incorporated in Malaysia)

(Company No: 6614-W)

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MAY 2013

A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT PURSUANT TO FINANCIAL REPORTING STANDARD ("FRS") 134

A1 Basis of preparation

The Interim Financial Report of Ancom Logistics Berhad ("ALB") and its subsidiaries ("Group") is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting and Rule 9.22(2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("ACE Market Listing Requirements").

This Interim Financial Report should be read in conjunction with the Audited Financial Statements of ALB for the financial year ended 31 May 2012. These explanatory notes attached to this Interim Financial Report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 May 2012.

The Group has adopted MFRSs with effect from the current financial year.

New MFRSs applicable and relevant to the Group's operations are:

Title	Effective Date
MFRS 1 <i>First-time Adoption of MFRSs</i>	1 January 2012
MFRS 2 <i>Share-based Payment</i>	1 January 2012
MFRS 3 <i>Business Combinations</i>	1 January 2012
MFRS 4 <i>Insurance Contracts</i>	1 January 2012
MFRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i>	1 January 2012
MFRS 6 <i>Exploration for and Evaluation of Mineral Resources</i>	1 January 2012
MFRS 7 <i>Financial Instruments: Disclosures</i>	1 January 2012
MFRS 8 <i>Operating Segments</i>	1 January 2012
MFRS 101 <i>Presentation of Financial Statements</i>	1 January 2012
MFRS 102 <i>Inventories</i>	1 January 2012
MFRS 107 <i>Statement of Cash Flows</i>	1 January 2012
MFRS 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>	1 January 2012
MFRS 110 <i>Events After the Reporting Period</i>	1 January 2012
MFRS 111 <i>Construction Contracts</i>	1 January 2012
MFRS 112 <i>Income Taxes</i>	1 January 2012
MFRS 116 <i>Property, Plant and Equipment</i>	1 January 2012
MFRS 117 <i>Leases</i>	1 January 2012
MFRS 118 <i>Revenue</i>	1 January 2012
MFRS 119 <i>Employee Benefits</i>	1 January 2012
MFRS 120 <i>Accounting for Government Grants and Disclosure of Government Assistance</i>	1 January 2012
MFRS 121 <i>The Effects of Changes in Foreign Exchange Rates</i>	1 January 2012
MFRS 123 <i>Borrowing Costs</i>	1 January 2012
MFRS 124 <i>Related Party Disclosures</i>	1 January 2012

Ancom Logistics Berhad (6614-W)

Notes to the Interim Financial Report for the financial year ended 31 May 2013

Title	Effective Date
MFRS 126 <i>Accounting and Reporting by Retirement Benefit Plans</i>	1 January 2012
MFRS 127 <i>Consolidated and Separate Financial Statements</i>	1 January 2012
MFRS 128 <i>Investments in Associates</i>	1 January 2012
MFRS 129 <i>Financial Reporting in Hyperinflationary Economies</i>	1 January 2012
MFRS 131 <i>Interests in Joint Ventures</i>	1 January 2012
MFRS 132 <i>Financial Instruments: Presentation</i>	1 January 2012
MFRS 133 <i>Earnings Per Share</i>	1 January 2012
MFRS 134 <i>Interim Financial Reporting</i>	1 January 2012
MFRS 136 <i>Impairment of Assets</i>	1 January 2012
MFRS 137 <i>Provisions, Contingent Liabilities and Contingent Assets</i>	1 January 2012
MFRS 138 <i>Intangible Assets</i>	1 January 2012
MFRS 139 <i>Financial Instruments: Recognition and Measurement</i>	1 January 2012
MFRS 140 <i>Investment Property</i>	1 January 2012
MFRS 141 <i>Agriculture</i>	1 January 2012
IC Interpretation 1 <i>Changes in Existing Decommissioning, Restoration and Similar Liabilities</i>	1 January 2012
IC Interpretation 2 <i>Members' Shares in Co-operative Entities and Similar Instruments</i>	1 January 2012
IC Interpretation 4 <i>Determining Whether an Arrangement Contains a Lease</i>	1 January 2012
IC Interpretation 5 <i>Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds</i>	1 January 2012
IC Interpretation 6 <i>Liabilities Arising from Participating in a Specific Market-Waste Electrical and Electronic Equipment</i>	1 January 2012
IC Interpretation 7 <i>Applying the Restatement Approach under MFRS 129 Financial Reporting in Hyper inflationary Economies</i>	1 January 2012
IC Interpretation 9 <i>Reassessment of Embedded Derivatives</i>	1 January 2012
IC Interpretation 10 <i>Interim Financial Reporting and Impairment</i>	1 January 2012
IC Interpretation 12 <i>Service Concession Arrangements</i>	1 January 2012
IC Interpretation 13 <i>Customer Loyalty Programmes</i>	1 January 2012
IC Interpretation 14 <i>MFRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i>	1 January 2012
IC Interpretation 15 <i>Agreements for the Construction of Real Estate</i>	1 January 2012
IC Interpretation 16 <i>Hedges of a Net Investment in a Foreign Operation</i>	1 January 2012
IC Interpretation 17 <i>Distributions of Non-cash Assets to Owners</i>	1 January 2012
IC Interpretation 18 <i>Transfers of Assets from Customers</i>	1 January 2012
IC Interpretation 19 <i>Extinguishing Financial Liabilities with Equity Instruments</i>	1 January 2012
IC Interpretation 107 <i>Introduction of the Euro</i>	1 January 2012
IC Interpretation 110 <i>Government Assistance - No Specific Relation to Operating Activities</i>	1 January 2012
IC Interpretation 112 <i>Consolidation - Special Purpose Entities</i>	1 January 2012
IC Interpretation 113 <i>Jointly Controlled Entities - Non-Monetary Contributions by Venturers</i>	1 January 2012
IC Interpretation 115 <i>Operating Leases - Incentives</i>	1 January 2012
IC Interpretation 125 <i>Income Taxes - Changes in the Tax Status of an Entity or its Shareholders</i>	1 January 2012
IC Interpretation 127 <i>Evaluating the Substance of Transactions Involving the Legal Form of a Lease</i>	1 January 2012
IC Interpretation 129 <i>Service Concession Arrangements: Disclosures</i>	1 January 2012
IC Interpretation 131 <i>Revenue - Barter Transactions Involving Advertising Services</i>	1 January 2012
IC Interpretation 132 <i>Intangible Assets - Web Site Costs</i>	1 January 2012

Ancom Logistics Berhad (6614-W)

Notes to the Interim Financial Report for the financial year ended 31 May 2013

The adoption of the above standards and interpretations did not have any material impact on the financial statements of the Group.

New MFRSs and interpretations that have been issued, but yet to be effective and adopted, for annual periods beginning on or after 1 July 2012 are as follows:

New MFRSs and interpretations	Effective Date
MFRS 9 <i>Financial Instruments</i>	1 January 2015
MFRS 10 <i>Consolidated Financial Statements</i>	1 January 2013
MFRS 11 <i>Joint Arrangements</i>	1 January 2013
MFRS 12 <i>Disclosure of Interests in Other Entities</i>	1 January 2013
MFRS 13 <i>Fair Value Measurement</i>	1 January 2013
MFRS 127 <i>Separate Financial Statements</i>	1 January 2013
MFRS 128 <i>Investments in Associates and Joint Ventures</i>	1 January 2013
Amendments to MFRS 101 <i>Presentation of Items of Other Comprehensive Income</i>	1 July 2012
MFRS 119 <i>Employee Benefits (revised)</i>	1 January 2013
Amendments to MFRS 1 <i>Government Loans</i>	1 January 2013
Amendments to MFRS 7 <i>Disclosures - Offsetting Financial Assets and Financial Liabilities</i>	1 January 2013
Amendments to MFRS 132 <i>Offsetting Financial Assets and Financial Liabilities</i>	1 January 2014
<i>Mandatory Effective Date of MFRS 9 and Transition Disclosures</i>	1 January 2015
Amendments to MFRSs <i>Annual Improvements 2009 - 2011 Cycle</i>	1 January 2013
Amendments to MFRS 10, MFRS 11 and MFRS 12 <i>Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance</i>	1 January 2013
MFRS 3 <i>Business Combinations</i> (as issued by the International Accounting Standards Board ('IASB') in March 2004)	1 January 2013
MFRS 127 <i>Consolidated and Separate Financial Statements</i> (as issued by the IASB in December 2003)	1 January 2013
IC Interpretation 20 <i>Stripping Costs in the Production Phase of a Surface Mine</i>	1 January 2013

The Group is in the process of assessing the financial impact of implementing the New MFRSs and interpretations above since the effects would only be observable for the financial year ending 31 May 2014.

A2 Changes in accounting policies

Except for the changes in the accounting standards as disclosed in Note A1 above, the significant accounting policies adopted by the Group in this Interim Financial Report are consistent with those adopted in the Group's most recent Audited Financial Statements for the financial year ended 31 May 2012.

A3 Auditors' report on preceding annual financial statements

The auditors did not qualify the Group's Audited Financial Statements for the financial year ended 31 May 2012.

Ancom Logistics Berhad (6614-W)

Notes to the Interim Financial Report for the financial year ended 31 May 2013

A4 Seasonality or cyclicity

The operations of the Group were not significantly affected by any seasonal and cyclical factors.

A5 Items of unusual nature and amount

During the financial quarter ended 31 May 2013, there were no items affecting the assets, liabilities, equity, net income or cash flows of the Group that are unusual by reason of their nature, size or incidence.

A6 Changes in estimates

There was no material changes in estimates of the amounts reported that have a material effect on the financial quarter ended 31 May 2013.

A7 Debt and equity securities

There was no issuance, cancellation, repurchase, resale or repayment of debt securities and equity securities during the financial quarter ended 31 May 2013.

A8 Dividends

On 10 August 2012, the Board declared a single-tier interim dividend of 0.5 sen per ordinary share amounting to RM2,366,432 for the financial quarter ended 31 August 2012. The interim dividend was paid on 14 September 2012.

Save as disclosed above, there were no other dividend declared and/or paid during the financial year ended 31 May 2013.

Ancom Logistics Berhad (6614-W)

Notes to the Interim Financial Report for the financial year ended 31 May 2013

A9 Segmental information

For management purposes, the Group is organised into business units based on their products, and there are two (2) operating segments as follows:

- (a) The logistics segment is in the business of providing services such as rental and transportation services. It also includes freight forwarding, packing and crafting services.
- (b) The other segment is involved in manufacturing, trading and marketing of low voltage switchgear and investment holding activities.

	Logistics	Others	Elimination	Total
31 May 2013	RM'000	RM'000	RM'000	RM'000
Revenue				
External revenue	58,646	2,964	-	61,610
Inter-segment revenue	-	-	-	-
Total revenue	<u>58,646</u>	<u>2,964</u>		<u>61,610</u>
Segment results	6,420	(3,212)	-	3,208
Unallocated corporate expenses				-
Operating profits				3,208
Finance costs				(489)
Share of results of associate				-
Profit before taxation				2,719
Tax expense				(924)
Net profit				<u>1,795</u>
31 May 2012				
Revenue				
External revenue	59,186	2,883	-	62,069
Inter-segment revenue	177	-	(177)	-
Total revenue	<u>59,363</u>	<u>2,883</u>		<u>62,069</u>
Segment results	8,194	(2,433)	-	5,761
Unallocated corporate expenses				-
Operating profits				5,761
Finance costs				(598)
Share of results of associate				(31)
Profit before taxation				5,132
Tax expense				(1,717)
Net profit				<u>3,415</u>

A10 Valuation of property, plant and equipment

The Group did not carry out any valuation on its property, plant and equipment during the financial quarter ended 31 May 2013.

Ancom Logistics Berhad (6614-W)

Notes to the Interim Financial Report for the financial year ended 31 May 2013

A11 Commitments

(a) Operating lease commitment

Future minimum rentals payable under non-cancellable operating lease at the 31 May 2013 are as follows:

	31-05-2013	31-05-2012
	RM'000	RM'000
Not later than 1 year	1,369	2,061
Later than 1 year but not later than 5 years	4,879	4,699
Later than 5 years	19,258	19,528
	25,506	26,288

(b) Capital commitments

	31-05-2013	31-05-2012
	RM'000	RM'000
Capital expenditure in respect of purchase of property, plant and equipment		
Contracted but not provided for	735	-

A12 Changes in composition of the Group

There were no material changes in the composition of the Group for the financial quarter ended 31 May 2013.

A13 Changes in contingent liabilities

The Group does not have any contingent liabilities as at 31 May 2013.

A14 Subsequent events

There were no events subsequent to the end of the financial quarter ended 31 May 2013 up to the date of this Interim Financial Report which may substantially affect the results or operations of the Group.

A15 Related party transactions

The Group had the following transactions with related parties during the financial quarter and year ended 31 May 2013:

	Individual quarter ended		Year-to-date ended	
	31-05-2013	31-05-2012	31-05-2013	31-05-2012
	RM'000	RM'000	RM'000	RM'000
Sale of services to related companies	1,782	716	5,992	4,278

The Board is of the opinion that all transactions have been entered into in the normal course of business and have been established on an arm's length basis under terms no more favourable than those transacted with third parties.

B. ADDITIONAL INFORMATION REQUIRED UNDER THE ACE MARKET LISTING REQUIREMENTS

B1 Performance review for the current financial quarter against previous financial year corresponding quarter

In the financial quarter ended 31 May 2013, the Group revenue decreased to RM15.0 million compared to RM16.3 million in the corresponding quarter last year. For the current financial year ended 31 May 2013, the Group posted RM61.6 million revenue compared to RM62.1 million last year.

During the financial year ended 31 May 2013, revenue from the Logistics segment decreased to RM58.6 million from RM59.4 million a year ago. Although Logistics segment reported higher revenue from its tank farm business, the slowdown in transportation business in the earlier quarters has partially eroded its overall revenue. For the financial year ended 31 May 2013, the Other segment posted revenue of RM3.0 million compared to RM2.9 million last year, which is primarily from the trading of engineering products.

Profit before taxation ("PBT") for the current financial quarter grew to RM1.4 million compared to RM1.0 million in the same quarter last year. The improved performance for the current financial quarter was mainly due to better costs management in the Logistics segment. However, higher operating costs in the earlier quarters incurred by the Logistics segment have affected the results for the current financial year. For the financial year ended 31 May 2013, PBT fell to RM2.7 million from RM5.2 million last year. Similarly, the Logistics segment posted segmental profit of RM6.4 million for the current financial year ended 31 May 2013 compared RM8.2 million last year. Segmental loss reported by the Other segment for the financial year ended 31 May 2013 amounted to RM3.2 million compared to RM2.4 million. This is primarily due to losses incurred by the trading business and corporate expenses incurred.

B2 Material change in the results for the current financial quarter as compared with immediate preceding financial quarter

Revenue for the current financial quarter remained at RM15.0 million compared to the immediate preceding quarter. Nevertheless, the Group posted a PBT of RM1.4 million compared to a loss before taxation of RM0.2 million in the immediate preceding quarter. The results in the current financial quarter are primarily due to improvement in the operating environment of the transportation business after a period of slowdown.

B3 Prospects for the next financial year

In light of the global economic uncertainties, which may have an impact to the Group's business, the Board will continue to exercise caution in managing the business going forward, although the Group has reported improved performance in the current financial quarter.

The Board is of the view that, barring unforeseen circumstances, the financial performance and prospects of the Group will be satisfactory in the next financial year.

B4 Forecast profit, profit guarantee and internal targets

The Group did not provide any profit forecast, profit guarantee and internal targets in any publicly available documents or announcements.

Ancom Logistics Berhad (6614-W)

Notes to the Interim Financial Report for the financial year ended 31 May 2013

B5 Profit before taxation

	Individual quarter ended 31-05-2013 RM'000	Year-to-date ended 31-05-2013 RM'000
The profit before taxation is stated after charging/(crediting):		
Interest income	-	-
Other income including investment income	141	550
Finance costs	168	489
Depreciation and amortisation	1,688	6,885
Provision for and write-off of receivables	-	-
Provision for and write-off of inventories	-	-
(Gain)/loss on disposal of quoted or unquoted investments	-	-
Impairment of assets	-	-
Foreign exchange (gain)/loss	-	-
(Gain)/loss on derivatives	-	-
Exceptional items	-	-
	_____	_____

B6 Tax expense

	Individual quarter ended		Year-to-date ended	
	31-05-2013	31-05-2012	31-05-2013	31-05-2012
	RM'000	RM'000	RM'000	RM'000
Current tax expense/(reversal) based on profit for the financial period:				
Malaysian income tax	336	100	1,143	1,185
Foreign income tax	87	(327)	274	-
	423	(227)	1,417	1,185
Under/(over) provision in prior years:				
Malaysian income tax	-	46	(493)	34
Foreign income tax	-	-	-	-
	423	(181)	924	1,219
Deferred taxation:				
Transfer to deferred taxation	-	400	-	400
Under provision in prior years	-	98	-	98
	423	317	924	1,717
	_____	_____	_____	_____

The effective rate of taxation for the Group is higher than the statutory tax rate mainly due to losses in certain companies that are not available for set-off against taxable profits in other companies within the Group.

B7 Status of corporate proposal

There were no corporate proposals announced but not completed at the date of issuance of this Interim Financial Report.

B8 Utilisation of proceeds

The Company does not have any unutilised proceeds raised from any corporate exercise.

Ancom Logistics Berhad (6614-W)

Notes to the Interim Financial Report for the financial year ended 31 May 2013

B9 Borrowings

The borrowings of the Group denominated in their functional currencies are as follows:

	31-05-2013 RM'000	31-05-2012 RM'000
SHORT TERM BORROWINGS		
Secured:		
Ringgit Malaysia	2,942	3,819
Singapore Dollar	598	239
	3,540	4,058
Unsecured:		
Ringgit Malaysia	882	1,622
Singapore Dollar	2,636	2,836
	3,518	4,458
Total short term borrowings	7,058	8,516
LONG TERM BORROWINGS		
Secured:		
Ringgit Malaysia	381	2,176
Singapore Dollar	1,098	426
	1,479	2,602
Unsecured:		
Ringgit Malaysia	-	-
Singapore Dollar	-	-
	-	-
Total long term borrowings	1,479	2,602
TOTAL BORROWINGS	8,537	11,118

Note:

- Borrowings denominated in foreign currencies are stated at Ringgit Malaysia equivalent as at the reporting dates stated above.

B10 Material litigation

The Group does not have any material litigation as at the date of this Interim Financial Report.

B11 Dividends

On 10 August 2012, the Board declared a single-tier interim dividend of 0.5 sen per ordinary share amounting to RM2,366,432 for the financial quarter ended 31 August 2012. The interim dividend was paid on 14 September 2012.

Save as disclosed above, there were no other dividend declared and/or paid during the financial year ended 31 May 2013.

Ancom Logistics Berhad (6614-W)

Notes to the Interim Financial Report for the financial year ended 31 May 2013

B15 Earnings per share(a) Basic earnings per share

	Individual quarter ended		Year-to-date ended	
	31-05-2013	31-05-2012	31-05-2013	31-05-2012
Weighted average number of ordinary shares ('000)	<u>473,286</u>	473,286	<u>473,286</u>	473,286
Net profit attributable to ordinary equity holders of the Company (RM'000)	<u>637</u>	380	<u>632</u>	2,363
Earnings per ordinary share (sen) - Basic	<u>0.13</u>	0.08	<u>0.13</u>	0.50

The basic earnings per share is calculated by dividing the net profit attributable to the shareholders of the Company by the weighted average number of ordinary shares in issue of 473,286,313 shares during the financial period.

(b) Fully diluted earnings per share

The Company does not have convertible securities as at the balance sheet date.

B16 Realised and unrealised profits

The breakdown of retained profits of the Group as at 31 May 2013 into realised and unrealised profits is as follows:

Total retained profits of the Group	RM'000
- Realised	(489)
- Unrealised	<u>(8,362)</u>
	(8,851)
Less: Consolidation adjustments	<u>3,318</u>
As per consolidated financial statements	<u>(5,533)</u>

BY ORDER OF THE BOARD

Choo Se Eng
Stephen Geh Sim Whye
Company Secretaries
Petaling Jaya

31 July 2013