

## ANCOM LOGISTICS BERHAD

( Formerly known as Tamco Corporate Holdings Berhad)

(Incorporated in Malaysia)

(Company No : 6614-W)

### CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE FINANCIAL QUARTER ENDED 28 FEBRUARY 2010

THE FIGURES HAVE NOT BEEN AUDITED

	Individual Quarter		Cummulative 9 months ended	
	28.02.2010	28.02.2009	28.02.2010	28.02.2009
	RM'000	RM'000	RM'000	RM'000
Revenue	12,969	17,138	37,639	50,630
Cost of sales	(9,961)	(13,819)	(28,832)	(39,822)
Gross profit	3,008	3,319	8,807	10,808
Other income	58	649	199	3,145
Selling and distribution expenses	(1,851)	(1,646)	(5,129)	(5,158)
Administrative expenses	(1,587)	(808)	(3,964)	(5,877)
Other expenses	(88)	(1,950)	(279)	(1,992)
Loss from operations	(460)	(436)	(366)	926
Finance costs	(222)	(67)	(686)	(1,115)
Loss before taxation	(682)	(503)	(1,052)	(189)
Taxation	(67)	(154)	(250)	(783)
Net loss for the quarter/period	(749)	(657)	(1,302)	(972)
<b>Attributable to:</b>				
Shareholders of the parent	(749)	(657)	(1,302)	(972)
	(749)	(657)	(1,302)	(972)
<b>Loss per share attributable to shareholders of the parent (sen):</b>				
- Basic	(0.29)	(0.25)	(0.50)	(0.37)
- Diluted	N/A	N/A	N/A	N/A

The Condensed Consolidated Income Statements should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2009 and the accompanying notes to the Interim Financial Report.

**ANCOM LOGISTICS BERHAD**

(Formerly known as Tamco Corporate Holdings Berhad)

(Incorporated in Malaysia)

(Company No : 6614-W)

**CONDENSED CONSOLIDATED BALANCE SHEET****AS AT 28 FEBRUARY 2010**

	<b>28.02.2010</b>	<b>31.05.2009</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	5,074	5,149
Prepaid lease payments	9,597	9,726
Investment in associates	4,128	4,128
Intangible assets	356	383
Deferred tax assets	383	383
	<u>19,538</u>	<u>19,769</u>
<b>Current assets</b>		
Inventories	9,280	9,729
Trade receivables	16,445	16,059
Other receivables	1,871	982
Tax recoverable	33	8
Short term deposits with licensed banks	4,167	2,758
Cash and bank balances	6,133	11,843
	<u>37,929</u>	<u>41,379</u>
<b>TOTAL ASSETS</b>	<u><u>57,467</u></u>	<u><u>61,148</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	51,898	51,898
Translation reserve	(3,437)	(3,176)
Accumulated losses	(20,573)	(19,271)
<b>Total equity</b>	<u>27,888</u>	<u>29,451</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	81	66
Borrowings	-	84
	<u>81</u>	<u>150</u>
<b>Current liabilities</b>		
Trade payables	10,193	10,265
Other payables	4,162	5,775
Amount due to immediate holding company	10,828	10,114
Amount due to associates	123	123
Borrowings	4,192	4,565
Provision for taxation	-	705
	<u>29,498</u>	<u>31,547</u>
<b>Total liabilities</b>	<u>29,579</u>	<u>31,697</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>57,467</u></u>	<u><u>61,148</u></u>

The Condensed Consolidated Balance Sheet should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2009 and the accompanying notes to the Interim Financial Report.

# ANCOM LOGISTICS BERHAD

(Formerly known as Tamco Corporate Holdings Berhad)

(Incorporated in Malaysia)

(Company No : 6614-W)

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL QUARTER ENDED 28 FEBRUARY 2010

THE FIGURES HAVE NOT BEEN AUDITED

	Attributable to Equity Holders of the Parent					Total Equity RM'000
	Share capital RM'000	Non- distributable Translation reserve RM'000	Distributable Retained profits RM'000	Total RM'000	Minority Interests RM'000	
<b>Financial period ended 28 February 2010</b>						
Balance as at 1 June 2009	51,898	(3,176)	(19,271)	<b>29,451</b>	-	<b>29,451</b>
Currency translation differences, representing net loss recognised directly in equity	-	(261)	-	<b>(261)</b>	-	<b>(261)</b>
Net loss for the financial period	-	-	(1,302)	<b>(1,302)</b>	-	<b>(1,302)</b>
Total recognised income and expenses for the financial period	-	(261)	(1,302)	<b>(1,563)</b>	-	<b>(1,563)</b>
Balance as at 28 February 2010	<b>51,898</b>	<b>(3,437)</b>	<b>(20,573)</b>	<b>27,888</b>	-	<b>27,888</b>
<b>Financial period ended 28 February 2009</b>						
Balance as at 1 June 2008	129,744	(2,517)	6,784	<b>134,011</b>	-	<b>134,011</b>
Currency translation differences, representing net gain recognised directly in equity	-	291	-	<b>291</b>	-	<b>291</b>
Net loss for the financial period	-	-	(972)	<b>(972)</b>	-	<b>(972)</b>
Total recognised income and expenses for the financial period	-	291	(972)	<b>(681)</b>	-	<b>(681)</b>
Balance as at 28 February 2009	<b>129,744</b>	<b>(2,226)</b>	<b>5,812</b>	<b>133,330</b>	-	<b>133,330</b>

The 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 2009 and the accompanying notes to the Interim Financial Report.

**ANCOM LOGISTICS BERHAD**

(Formerly known as Tamco Corporate Holdings Berhad)

(Incorporated in Malaysia)

(Company No : 6614-W)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE FINANCIAL QUARTER ENDED 28 FEBRUARY 2010***THE FIGURES HAVE NOT BEEN AUDITED*

	Cumulative 9 months ended	
	28.02.2010 RM'000	28.02.2009 RM'000
<b>Cash flow from operating activities</b>		
Loss before taxation:	(1,052)	(189)
Adjustments for:		
Depreciation of property, plant and equipment	498	884
Amortisation of prepaid lease payments	127	129
Amortisation of development expenditure	27	26
Deferred tax liabilities	16	(13)
Inventories written off	-	59
Interest expense	686	1,115
Interest income	(16)	(2,705)
Loss on disposal of Property, plant and equipment	-	15
Loss on foreign exchange	-	(9)
Minority interests		(125)
Operating profit/(loss) before working capital changes	286	(813)
Inventories	449	328
Receivables	(1,275)	2,726
Payables	(1,910)	(6,390)
Associates	-	103
Holding, subsidiaries and related companies	714	(41)
Cash used in operations	(1,736)	(4,087)
Income taxes paid	(980)	(1,262)
Retirement benefits paid	-	(86)
Net cash used in operating activities	(2,716)	(5,435)
<b>Cash flow from investing activities</b>		
Interest received	16	2,705
Proceeds from disposal of property, plant and equipment	-	208
Purchase of property, plant and equipment	(424)	(119)
Net cash (used in) / generated from investing activities	(408)	2,794
<b>Cash flow from financing activities</b>		
Interest paid	(686)	(1,115)
Repayment of Bai' Bithaman Ajil Serial Bonds	-	(61,740)
(Repayment)/drawdown of hire purchase and finance lease	-	(4,696)
Drawdown of bank borrowings	311	-
Net cash used in financing activities	(375)	(67,551)

**ANCOM LOGISTICS BERHAD**  
 (Formerly known as Tamco Corporate Holdings Berhad)  
 (Incorporated in Malaysia)  
 (Company No : 6614-W)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
 FOR THE FINANCIAL QUARTER ENDED 28 FEBRUARY 2010  
 (continued)**

*THE FIGURES HAVE NOT BEEN AUDITED*

	<b>Cumulative</b>	
	<b>28.02.2010</b>	<b>28.02.2009</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Net change in cash and cash equivalents</b>	(3,499)	(70,192)
<b>Cash and cash equivalents at beginning of financial period</b>	13,720	162,902
<b>Effects of exchange rate changes</b>	(261)	291
<b>Cash and cash equivalents at end of financial period</b>	9,960	93,001
<b>The cash and cash equivalents comprise:</b>		
Cash and bank balances	6,133	7,992
Short term deposits with licensed banks	4,167	85,829
Bank overdrafts	(340)	(820)
	9,960	93,001

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2009 and the accompanying notes to the Interim Financial Report.

**ANCOM LOGISTICS BERHAD**  
(Formerly known as Tamco Corporate Holdings Berhad)  
(Incorporated in Malaysia)  
(Company No: 6614-W)

**NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE FINANCIAL QUARTER ENDED 28 FEBRUARY 2010**

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

**1 Basis of preparation**

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

The Interim Financial Report of the Group should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 May 2009. These explanatory notes attached to the 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 2009.

The significant accounting policies adopted by the Group in this Report are consistent with those used in the Audited Financial Statements of the Group for the financial year ended 31 May 2009 except for the adoption of the following new/revised FRS:

<b>FRSs, Amendments to FRSs and Interpretations</b>	<b>Effective for financial periods beginning on or after</b>
FRS 4	1 January 2010
FRS 7	1 January 2010
FRS 8	1 July 2009
FRS 101	1 January 2010
FRS 123	1 January 2010
FRS 139	1 January 2010
Amendments to FRS 1	1 January 2010
Amendments to FRS 2	1 January 2010
Amendments to FRS 5	1 January 2010
Amendments to FRS 7	1 January 2010
Amendments to FRS 8	1 January 2010
Amendments to FRS 107	1 January 2010
Amendments to FRS 108	1 January 2010
Amendments to FRS 110	1 January 2010
Amendments to FRS 116	1 January 2010
Amendments to FRS 117	1 January 2010
Amendments to FRS 118	1 January 2010

**Ancom Logistics Berhad (6614-W)**

(Formerly known as Tamco Corporate Holdings Berhad)

Notes to the Interim Financial Report for the financial quarter ended 28 February 2010

<b>FRSs, Amendments to FRSs and Interpretations</b>		<b>Effective for financial periods beginning on or after</b>
Amendment to FRS 119	Employee Benefits	1 January 2010
Amendment to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance	1 January 2010
Amendment to FRS 123	Borrowing Costs	1 January 2010
Amendment to FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendment to FRS 128	Investments in Associates	1 January 2010
Amendment to FRS 129	Financial Reporting in Hyperinflationary Economies	1 January 2010
Amendment to FRS 131	Interest in Joint Ventures	1 January 2010
Amendments to FRS 132	Financial Instruments: Presentation	1 January 2010
Amendment to FRS 134	Interim Financial Reporting	1 January 2010
Amendment to FRS 136	Impairment of Assets	1 January 2010
Amendment to FRS 138	Intangible Assets	1 January 2010
Amendment to FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendment to FRS 140	Investment Property	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
Amendment to IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010

The adoptions of the FRSs, Amendments to FRSs and Interpretations upon their effective dates are not expected to have any significant impact on the financial statements of the Group. The Group is exempted from disclosing the possible impact, if any, to the financial statements upon its initial application of FRS7 and FRS139.

**2 Changes in accounting policies**

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 2009.

**3 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 2009.

**4 Seasonality or cyclicity of interim operations**

During the financial quarter ended 28 February 2010, the operations of the Group were not significantly affected by any seasonal and cyclical factors.

**Ancom Logistics Berhad (6614-W)**

(Formerly known as Tamco Corporate Holdings Berhad)

Notes to the Interim Financial Report for the financial quarter ended 28 February 2010**5 Items of unusual nature and amount**

During the financial quarter ended 28 February 2010, 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.

**6 Changes in estimates**

There were no changes in estimates that have a material effect on the results for the financial quarter ended 28 February 2010.

**7 Debt and equity securities**

There were no issuances, cancellations, repurchases and resale of debt securities and equity securities during the financial quarter ended 28 February 2010.

**8 Dividends paid**

There was no dividend paid during the financial quarter ended 28 February 2010.

**9 Segmental information**

The consolidated results of the Group for the financial quarter ended 28 February 2010, analysed by business segment, are as follow:

	<b>Continuing operations</b>			
	<b>Investment</b>	<b>System</b>		
	<b>Holding</b>	<b>integration</b>	<b>Elimination</b>	<b>Consolidated</b>
	<b>RM'000</b>	<b>&amp; trading</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Financial period ended</u>				
<u>28-Feb-10</u>				
External sales	-	37,639		37,639
Inter-segment sales	-	-	-	-
Total revenue	-	37,639	-	37,639
Segment results	(2,515)	2,133		(382)
Finance costs				(686)
Interest income				16
Loss before taxation				(1,052)
Taxation				(250)
Net loss attributable to shareholders				(1,302)



**Ancom Logistics Berhad (6614-W)**

(Formerly known as Tamco Corporate Holdings Berhad)

Notes to the Interim Financial Report for the financial quarter ended 28 February 2010

**9 Segmental information (Cont'd)**

	Continuing operations		Elimination RM'000	Consolidated RM'000
	Investment	System		
	Holding RM'000	integration & trading RM'000		
<u>Financial period ended</u>				
<u>28-Feb-09</u>				
External sales	-	33,492	-	33,492
Inter-segment sales	-	-	-	-
Total revenue	-	33,492	-	33,492
Segment results	(2,852)	1,073	-	(1,779)
Finance costs				(1,115)
Interest income				2,705
Loss before taxation				(189)
Taxation				(783)
Net loss attributable to shareholders				(972)

**10 Carrying amount of revalued assets**

The valuations of property, plant and equipment have been brought forward, without amendments, from the Group's Audited Financial Statements for the financial year ended 31 May 2009.

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

**11 Subsequent events**

There were no material events subsequent to the end of the financial quarter ended 28 February 2010 up to the date of the Interim Financial Report except as disclose in Note 8 of Section B.

**12 Changes in composition of the Group**

There were no material changes in the composition of the Group for the financial quarter ended 28 February 2010 up to the date of the Interim Financial Report.

**13 Contingent liabilities**

	Company	
	28-02-2010 RM'000	28-02-2009 RM'000
Unsecured:		
Guarantees given to financial institutions for facilities granted to a subsidiary	3,000	11,970

## **B. ADDITIONAL INFORMATION REQUIRED BY THE ACE LISTING REQUIREMENTS**

### **1 Performance review for the current financial quarter against previous financial year corresponding quarter**

The Group posted RM37.6 million revenue for the nine months ended 28 February 2010, which is a decline of 25.7% from the same period last year. For the quarter ended 28 February 2010, the Group posted RM13.0 million revenue compared to RM17.1 million in the same quarter last financial year. The lower sales in the current period and quarter were mainly due to the reduction in projects secured by the trading operations.

Loss after taxation for the period ended 28 February 2010 amounted to RM 1.3 million compared to RM 1.0 million for the same period last year. For the quarter, the Group reported a slightly higher loss after taxation of RM0.7 million compared to a loss after tax of RM0.6 million in the same quarter last financial year. The higher loss after tax is mainly attributed to revenue decline even though the Group has managed to control its operational expenses. Other income has also reduced in current financial period due to lower interest income as the surplus cash has been distributed back to share holders.

### **2 Material change in the results for the current financial quarter as compared with immediate preceding financial quarter**

The Group reported a higher loss after tax of RM0.7 million compared to a loss after tax of RM0.2 million in the immediate preceding financial quarter. Increase in operating expenses for the current quarter has contributed to the higher loss.

### **3 Prospects for this financial year**

The Directors have identified a new business to be injected into AncomLB as disclosed in Note 8 of Part B. The application has been submitted and is pending approval from Bursa Securities and Securities Commission.

Barring unforeseen circumstances, the Directors are of the opinion that the Group's existing trading operations will continue to operate in a satisfactory manner.

### **4 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)**

(Formerly known as Tamco Corporate Holdings Berhad)

Notes to the Interim Financial Report for the financial quarter ended 28 February 2010**5 Taxation**

	Individual Quarter		Cumulative 6 months ended	
	28.02.2010	28.02.2009	28.02.2010	28.02.2009
	RM'000	RM'000	RM'000	RM'000
<b>Continuing operations</b>				
Income tax:				
Malaysian	67	154	250	698
Over/(under) provision in prior years				
Malaysian	-	-	-	70
Deferred taxation:				
Relating to originating and reversal				
Under provision in prior years	-	-	-	15
	<u>67</u>	<u>154</u>	<u>250</u>	<u>783</u>

**6 Sale of unquoted investments and properties**

There were no disposals of unquoted investments and properties for the current financial quarter ended 28 February 2010 and at the date of this Interim Financial Report.

**7 Quoted securities**

There were no purchases of quoted securities for the financial quarter ended 28 February 2010 and at the date of this Interim Financial Report. As at balance sheet date, the Group has no investment in quoted securities.

**8 Status of Corporate Proposal**

Pursuant to the extension of time granted by Bursa Malaysia Securities Berhad ("Bursa Securities") to submit the Proposed Restructuring Scheme as announced on 8 October 2009, AncomLB has on 29 January 2010 submitted its application to Bursa Securities, Ministry of International Trade and Industry ("MITI") and Securities Commission for approval of the respective authorities.

As at the date of this report, the application is pending approvals from Bursa Securities and Securities Commission.

**Ancom Logistics Berhad (6614-W)**

(Formerly known as Tamco Corporate Holdings Berhad)

Notes to the Interim Financial Report for the financial quarter ended 28 February 2010

**9 Group borrowings**

Group borrowings denominated in their functional currencies are as follows:

	<b>As at 28.02.2010 RM'000</b>	<b>As at 28.02.2009 RM'000</b>
<b>Short term borrowings</b>		
Secured:		
Ringgit Malaysia	145	338
US Dollar	-	4,975
Unsecured:		
Ringgit Malaysia	4,047	1,988
	<u>4,192</u>	<u>7,301</u>
 <b>Long term borrowings</b>		
Secured:		
Ringgit Malaysia	-	110
	<u>-</u>	<u>110</u>
	<u>4,192</u>	<u>7,411</u>

Note: Foreign currencies denominated borrowings are stated at Ringgit Malaysia equivalent as at the reporting dates stated above.

**10 Off balance sheet financial instruments**

The Group does not have any off balance sheet financial instruments as at the date of this Interim Financial Report.

**11 Material litigation**

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

**12 Dividends payable**

The Directors do not propose and pay any dividend for the quarter ended 28 February 2010.

**13 Loss per share****(a) Basic loss per share**

The basic loss per share is calculated by dividing the net loss attributable to the shareholders of the Company by the weighted average number of ordinary shares in issue during the financial period of 259,487,720 (2008: 259,487,720) shares.

**Ancom Logistics Berhad (6614-W)**

(Formerly known as Tamco Corporate Holdings Berhad)

Notes to the Interim Financial Report for the financial quarter ended 28 February 2010

**13 Loss per share (Cont'd)**

(b) Fully diluted loss per share

The Company has no potential ordinary shares in issue as at the balance sheet date and therefore, diluted loss per share has not been presented.

**BY ORDER OF THE BOARD**

Choo Se Eng

Stephen Geh Sim Whye

Secretaries

Petaling Jaya

27 April 2010