

## Calendar of Corporate Events

### 1. Silver Jubilee Celebration

The Silver Jubilee Celebration was held on 20 April 2010 at Nationwide Express' Corporate Office in Shah Alam. The long service award was also awarded to 10 staffs who have been with the Company since 1985. This came as an effort to acknowledge the contributions made by the employees.

### 2. Royal Classics Car Rally

As part of our 25th Anniversary Celebration, Nationwide Express in collaboration with Retro Sparkle Sdn Bhd organised the Royal Classics Car Rally (RCCR) 2010 from Shah Alam to Kangar from 21 - 23 May 2010 whereby the entourage made several stops at interesting places as well as Nationwide Express' Northern Regional Hub which is located in Butterworth.

### 3. Donation in kind to Rumah Seri Kenangan, Kangar, Perlis

As part of our 25th Anniversary programme, Nationwide Express' RCCR entourage visited the Rumah Seri Kenangan Kangar, an old folks home under the care of Jabatan Kebajikan Masyarakat Perlis, whereby Nationwide Express contributed donations in kind to Rumah Seri Kenangan.

### 4. Sponsorship of opening of Tabung Haji Account (TAHA)

Nationwide Express sponsored students from various schools in Perlis, in opening TAHA accounts with Tabung Haji. This is as part of our effort to instill the spirit of saving for the future, as well as saving for performing the Hajj.

### 5. Donation to Persatuan Sukan & Rekreasi Orang Kurang Upaya Negeri Perlis

Nationwide Express donated cash to the Persatuan Sukan & Rekreasi Orang Kurang Upaya Negeri Perlis (PESRON) as part of our obligation to the society.

### 6. Majlis Kibarkan Jalur Gemilang

Majlis Kibarkan Jalur Gemilang was held in August at our Logistics Centre in Shah Alam. This annual event to celebrate the National Day was held with the aim to cultivate patriotism amongst our employees, customers and partners. The activities includes the marching parade by Nationwide Express employees, the recital of Rukun Negara, singing of the National anthem and a few patriotic songs, and the putting of the Jalur Gemilang on Nationwide Express' motorcycles and various sizes of vehicles.

### 7. Majlis Berbuka Puasa

During the month of Ramadan, Nationwide Express organised a Majlis Berbuka Puasa for all our corporate customers, suppliers, vendors and employees. Fifty (50) children from the Rumah Raudhatul Ikhwan of Shah Alam were invited to participate in the experience of sharing our joy with the less fortunate. After having a satisfying meal and performing the tarawih prayers together, the orphans were made even happier with gifts of hampers, 'duit raya' and raya clothes.

### 8. Majlis Bersahur

During the month of Ramadan, the Management of Nationwide Express led by the CEO joined the Night Operations Team for the Majlis Bersahur at 2.30 a.m. at the Logistics Centre. The event was meant to give the operations staff a chance to meet with the CEO and the Management, thus demonstrating Nationwide Express' belief that there should be no divide between management and staff.

## Calendar of Corporate Events

### 9. Hari Raya Celebration

Nationwide Express employees and customers alike were invited to share in the festivities at the Hari Raya Celebrations held at the Chairman's residence in Petaling Jaya. The guests were treated to an array of dishes ranging from ketupat to serunding, satay, soto and varieties of cookies.

### 10. Sponsorship of The National Science & Mathematics Symposium And Persatuan Sains & Matematik (PERSAMA) Awards 2010

Nationwide Express views education as one of the main factor that will build and shape the nation. Accordingly, Nationwide Express joined in to sponsor The National Science & Mathematics Symposium and PERSAMA Awards 2010 which was held at The Zone Hotel Johor Bahru.

### 11. Sponsorship of Majlis Santapan DiRaja : Anugerah Gemilang Olahraga Pahang

Nationwide Express participated in the sponsorship of the event for a sum RM5,000 to instill the spirit of sportsmanship, and to support the development of the sport. The event was held in Kuantan, Pahang.

### 12. Blood Donation Drive

Blood donation drive was held every six (6) months at Nationwide Express in our effort to help and ensure sufficient supply of safe and quality blood supply for the Malaysian medical purposes. The event was organised by Kelab Sukan dan Kebajikan Nationwide (KSKN) and The National Blood Bank.

### 13. Joint CSR effort with Malayan Banking Berhad

Relying on our strength as a logistics company, we accordingly work with Malayan Banking Berhad (Maybank) to transport flood relief to the flood victims in Kedah and Perlis on 5 November 2010.

### 14. CSR relief mission for flood victims in Perlis

In its CSR relief mission effort for the flood victims in Perlis, Nationwide Express transported truckload of the needful items to the Perlis State Government for its distribution amongst its rakyat.

### 15. Family day at Sunway Lost World of Tambun, Ipoh

To strengthen The Silaturahmi ties between the employees of Nationwide Express, the company organised a family day at Sunway Lost World of Tambun, Ipoh.

### 16. Collaboration with the National Library, we collaborated for the book launch of "Nature Recycles, Why Can't We?"

As strategic partnership with the National Library, we collaborated for the launch of the book "Nature Recycles, Why Can't We?" to cultivate recycling habit amongst Malaysian as well as to encourage budding writers to write creditable books.

## Statement on Corporate Governance

The Board of Directors of Nationwide Express Courier Services Berhad (“the Board”) is committed to ensure that the highest standards of Corporate Governance (“Code”) are practiced throughout the Group as a fundamental part of discharging its responsibilities to safeguard shareholders’ investment and ultimately enhance shareholders’ value.



## Statement on Corporate Governance

In view of this, the Board has taken steps to ensure compliance with the Code as follows:-

### A. BOARD OF DIRECTORS

#### Composition of the Board

The Board currently consists of five (5) members, comprising five (5) Non-Executive Directors. Three (3) of the Non-Executive Directors are independent. The profile of each Director is set out in the Profile of Directors on pages 40 to 45 of the Annual Report.

The roles of the Chairman, Rozilawati binti Haji Basir and the Chief Executive Officer, Ahmad Najmi bin Mahfodz are separate with clear distinction of responsibilities between them to provide effective leadership of the Board and the Group.

The Chairman, who is an Non-Independent Non-Executive Director is primarily responsible for ensuring that the Board meets regularly throughout the year and the meetings are conducted in an orderly manner. The Chairman also plays a pivotal role in ensuring that the Directors are effectively apprised on the business and operations of the Group and encourages healthy debate on issues arising at Board meetings to ensure that decisions are arrived after taking into consideration the interests of shareholders, employees, customers and other stakeholders. She also bears the responsibility of ensuring the integrity and effectiveness of the Non-Executive Directors.

The Chief Executive Officer is responsible for the day-to-day management of the Group's businesses, which include implementing the policies and decisions of the Board, overseeing the operations to ensure organisational effectiveness, and managing the development and implementation of the Company's business and corporate strategies. The Chief Executive Officer reports to the Chairman with respect to matters concerning the Board members and is obliged to report and discuss at Board meetings all material matters currently or potentially affecting the Group and its performance, including all strategic projects and regulatory developments.

The Board has a well-balanced number of Non-Executive Directors, with more than one-third Independent Non-Executive Directors. The Board has ensured the appointment of Independent Directors who are not member of management and the appointees are free of any relationship which could interfere with the exercise of independent opinion and the ability to act in the best interest of the Group. The Board is of the view that its three (3) Independent Non-Executive Directors who have extensive knowledge and experience are justifiable to represent the investment of the public and minority interests.



## Statement on Corporate Governance

### Board Responsibilities

The Board retains full and effective control of the Group. This includes responsibilities for determining the Company's overall strategic direction as well as development and control of the Group. Key issues such as approval of all corporate announcements including the announcement of the quarterly financial results prior to releasing them to Bursa Securities as well as material agreements, major capital expenditures, budgets and succession planning for the top management are reserved for the Board.

The Board has delegated specific responsibilities to the respective Committees of the Board which operate within clearly defined terms of reference. The Board Committees consist of Executive Committee, Audit Committee, Nomination Committee, Remuneration Committee and Executive Committee. The Board Committees comprise members of the Board except for the Executive Committee which includes the officers of the company. Each Board Committee holds separate meetings throughout the financial year. Meetings of the Board Committees provide an avenue for members of the respective Committees to focus on specific issues to enable full and in-depth discussion of business operations of the Group. Reviews, recommendations, findings and decisions reached at these Board Committees Meetings are reported directly to the Board for its deliberations, approvals and/or endorsements. The members of the various Board Committees are set out on pages 2 and 3 of this Annual Report.

### Board Meetings & Supply of Information to the Board

Board meetings are scheduled in advance at the beginning of the new financial year to enable Directors to plan ahead and fit the year's meetings into their own schedules. The Board has at least four (4) regularly scheduled meetings annually, with additional meetings for particular matters convened as and when necessary. Informal meetings and consultations are frequently and freely held to share expertise and experience. A total of nine (9) Board meetings were held during the financial year. Details of the Directors' meetings attendances are disclosed on page 14 of this Annual Report.

To assist the Board in retaining full and effective control of the Group through reviews in the Meetings, the Board deliberates on a formal agenda and schedule of matters arising for approval or notation. During the financial year ended 31st March 2011, the Board reviewed and approved, amongst other matters, the Group's Business Plans, as well as the financial results and performance of the Group's businesses. The Board also reviewed and approved the acquisition and disposal of assets or investment of the Company and its subsidiaries that are material to the Group.

The Board as a whole determines, whether as a full Board or in their individual capacity, to take independent professional advice, where necessary and in appropriate circumstances, in furtherance of their duties, at the Group's expense. Directors also have direct access to the advice and services of the Group's Company Secretary who is responsible for ensuring that Board procedures are followed.



## Statement on Corporate Governance

### Appointments and Re-election of the Board

The Board has implemented procedures for the nomination and election of Directors via the Nomination Committee. Comprising mainly Independent Non-Executive Directors, the Nomination Committee is responsible for identifying and recommending to the Board suitable nominees for appointment to the Board and Board Committees. The Nomination Committee meets as and when required, and at least once every financial year. Newly appointed Directors are briefed by the Chairman, Company Secretary and members of the management on the nature of business and current issues within the Company and the Group. Newly appointed Directors are also given the opportunity to visit and familiarise themselves with the Company's operations to better understand the Company's business.

The Articles of Association of the Company provide that at the first annual general meeting (AGM) of the Company, all the Directors shall retire from office and at least one-third of the Board are subject to retirement by rotation at each subsequent AGM. The Directors to retire in each year are the Directors who have been longest in the office since their appointment and re-appointment. The Articles of Association of the Company also provide that all the Board members including the Executive Director shall retire from office at least in each three (3) years and shall be eligible for re-election. Directors who are over seventy (70) years of age are required to submit themselves for reappointment annually, in accordance with Section 129(6) of the Companies Act, 1965.

### Training & Development Programme

All Directors have attended and completed the Mandatory Accreditation Training Programme ("MAP") and fulfilled the Continuing Education Programme ("CEP") requirements as prescribed by the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). With the repeal of the Practice Note No. 15/2003 with effect from 1st January 2005, the directors of public listed company ("PLC") must evaluate and determine the training needs of its directors on a continuous basis. The subject matter of the training must be one that aids the PLC director to discharge his/her duties as a director. During the year, all the Directors have attended various trainings and will continue to undergo other relevant training programmes.

## B. DIRECTORS' REMUNERATION

### Remuneration Policy and Procedure

The Board has set up a Remuneration Committee on 20th December 2000 and its responsibilities include reviewing all annual salaries, incentives and other employment conditions for the Board of Directors including the Executive Director. Information prepared by independent consultants and appropriate survey data on the remuneration practice of comparable companies is taken into consideration. Meetings of the Remuneration Committee are held as and when necessary, and at least once a year. The Committee members are as listed in the Corporate Information. The remuneration for the Non-Executive Directors is determined by the Board during which the interested Directors will abstain from deliberating. The Company pays its Directors annual fees, which are approved by the shareholders. In addition, members of the Board Committees are paid allowances for each meeting they attend. The Remuneration Committee also considers the Group's proposed bonus/ex-gratia and increment for the year.

# Statement on Corporate Governance

## • Directors' Remuneration

	Group and Company	
	2011	2010
	RM'000	RM'000
<b>Executive Director's remuneration:</b>		
Salaries and other emoluments	–	283
Ex-gratia	–	1
Defined contribution plan (EPF)	–	34
Estimated money value of benefit-in-kind	–	–
		340
<b>Non-Executive Director's remuneration:</b>		
Fees	356	108
Other emoluments	67	58
Estimated money value of benefits-in-kind	50	–
	423	166
Total directors' remuneration (excluding benefits-in-kind)	423	484
Estimated money value of benefits-in-kind	50	22
Total directors' remuneration including benefits-in-kind	473	506

The number of directors of the Company whose total remuneration during the year fell within the following bands is analysed below:

	Number of Directors	
	2011	2010
<b>Executive Director:</b>		
RM300,001 – RM350,000	–	1
<b>Non-Executive Directors:</b>		
Below RM70,000	4	4
Above RM70,000	1	4

## C. SHAREHOLDERS

### Investors and Shareholders relations

The Group recognises the importance of timely and thorough dissemination of information to shareholders. In this regards, the Group strictly adheres to disclosure requirements of Bursa Malaysia. The annual report has comprehensive information pertaining to the Group, while various disclosures on quarterly and annual results provide investors with financial information. The Board also has nominated the Chairman, Rozilawati binti Haji Basir who is Non-Independent Non-Executive Director to discuss any matters or issues with investors and shareholders.

Apart from the mandatory public announcements through Bursa Malaysia, the Group has also set up a website at [www.nationwide2u.com](http://www.nationwide2u.com) to provide corporate, financial and non-financial information.

## Statement on Corporate Governance

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### Annual General Meeting

The Annual General Meeting is the principal forum for dialogue with shareholders. Notice of the Annual General Meeting and annual reports are sent out to shareholders at least twenty one (21) days before the date of the meeting. Beside the usual agenda for the Annual General Meeting, the Board presents the progress and performance of the business as contained in the annual report and provides opportunities for shareholders to raise questions pertaining to the business activities of the Group. All Directors are available to provide responses to questions from the shareholders during these meetings. For re-election of Directors, the Board ensures that full information is disclosed through the notice of meeting regarding Directors who are retiring and who are willing to serve if re-elected. Items of special business included in the notice of the meeting will be accompanied by an explanatory statement to facilitate full understanding and evaluation of the issues involved.

## D. ACCOUNTABILITY AND AUDIT

### Financial Reporting

For financial reporting through quarterly reports to Bursa Malaysia and the annual report to shareholders, the Directors have a responsibility to present a fair statement of the Group's position and prospects. The Audit Committee assists the Board in scrutinizing information for disclosure to ensure accuracy, adequacy and completeness. The Statement by Directors pursuant to Section 169 of the Companies Act, 1965 is set out on page 66 of this Annual Report.

### Internal Controls and Internal Audit Function

The Company continues to maintain and review its internal control procedures to ensure, as far as possible, the protection of its assets and its shareholders' investment. Details of the Group's key elements of Internal Control and Internal Audit functions are set out in the Statement on Internal Control Report and Audit Committee Report on pages 34 to 35 and 47 to 49 of this Annual Report respectively.

### Relationship with Auditors

The role of the Audit Committee in relation to the External Auditors i.e. Messrs. Hanafiah Raslan & Mohamad and Internal Auditors are disclosed in the Audit Committee Report as set out on pages 47 to 49. The Group has always maintained a close and transparent relationship with its auditors in seeking professional advice and ensuring compliance with the accounting standards in Malaysia. The Head of Internal Audit who reports functionally to the Audit Committee is present at all Audit Committee meetings. A meeting was held between the External Auditors and members of the Audit Committee, without the presence of the Management during the year. Going forward, the Audit Committee will hold at least two (2) meetings a year with the External Auditors, the Internal Auditors or both as promoted by the Amended Code on Corporate Governance and the amended Chapter 15 of the Bursa Malaysia's Listing Requirements.

### Statement of Compliance with the Best Practices of the Code

The Group is committed to achieving high standards of Corporate Governance throughout the Group and to the highest level of integrity and ethical standards in all its business dealings. The Board considers that it has complied throughout the financial year with the Best Practices as set out in the Code.

Statement made in accordance with the resolution of the Board of Directors dated 27th July 2011.

### ROZILAWATI BINTI HAJI BASIR

Chairman



# Statement on Internal Control

## INTRODUCTION

The Board of Director's recognises the importance of maintaining a sound system of internal control and risk management practices to safeguard the shareholders' investments and the Group's assets. In line with the requirements of the Malaysian Code on Corporate Governance and Bursa Securities, the Board is pleased to provide a statement, which outlines the nature and scope of internal control of the Group.

## RESPONSIBILITY

The Board has overall responsibility for the Group's system of internal control, which includes financial, operational, compliance and risk management necessary for the Group to achieve its business objectives within an acceptable risk profile. The role of management is to implement the Board's policies on risk and control.

The Board takes all the necessary steps to maintain a sound system of internal control by periodically reviewing its adequacy and integrity. A sound system of internal control, however, can only provide reasonable, but not absolute assurance against misstatements, loss, fraud or breach of a set of regulations and is designed to mitigate rather than to eliminate the risk of failure to achieve business objectives.

The Board has established an ongoing process for identifying, evaluating and managing significant risk faced by the Group. While the Board maintains ultimate control over risk issues, it has delegated to the management the implementation of a system of risk management and internal control within an established framework. This framework encompasses the Company and its subsidiaries companies.

## KEY ELEMENTS OF INTERNAL CONTROL

The key processes that the Board has established in reviewing the adequacy and integrity of the Group's internal control includes the following:-

### 1. ORGANISATION STRUCTURE

The Group has appropriate organisational structure, which enables adequate monitoring of activities and ensures effective flow of information across the Group. In addition, lines of responsibility and delegations of authority of the Board and Executive Management are clearly defined and documented.

### 2. AUDIT COMMITTEE

The Audit Committee, on behalf of the Board, considers the effectiveness of the operation of internal control procedures within the Group based on the findings and reports from internal auditors, external auditors and Risk Management Committee, and report its conclusion to the Board.

Its term of reference and the Audit Committee Report are disclosed in pages 47 to 49 of the Annual Report.

### 3. BUSINESS PLAN AND BUDGET

All material business proposals are pre-evaluated by Management Committee in terms of their risk and viability from operational, financial and strategic direction standpoint, before escalating them to the Board for review and approval.

A comprehensive budgeting process is established requiring all key operating companies and business units in the Group to prepare budgets annually, which are discussed and approved by the Board. A budgetary control mechanism is in place for the Management to track any significant variances and to provide corrective measurement accordingly.

In order to ensure coherence in goals and objectives throughout the Group, the overall Group's agreed Key Performance Indicators ("KPI") are translated into individual subsidiary companies' KPI and dissected down further into individuals KPI, which ties to rewards.

### 4. INFORMATION AND COMMUNICATION

The various lines of business provide regular and comprehensive information to Management for monitoring of the Group's performance against the strategic plans approved by the Board.

Policies and procedures are clearly documented and regularly updated to reflect the changing business environment and risk profile or to resolve operational deficiencies.

Performance monitoring including discussions of significant issues are conducted at least quarterly at Head of Department meetings, which are attended by all managers at Head Office. On a quarterly basis, the Group hold nationwide alignment meetings, which are attended by all managers including station managers, to resolve significant issues and to ensure coherence in goals and objectives.

## Statement on Internal Control

### 5. COMPETENCY

The Group has in place experienced and competent employees in areas of responsibility to support the effectiveness of the Group's system of internal control. The Group also provides relevant training to the employees to ensure continuous improvement of their competencies.

### 6. INTERNAL AUDIT

The main role of the internal audit function is to review the effectiveness of the system of internal control and in discharging its responsibilities it exercises impartiality, proficiency and professionalism. The Internal Audit Department's risk-based approach is systematically organised periodically to monitor compliance with procedures and to assess the integrity of the financial information provided.

It works to a program agreed annually with the Audit Committee. The audit team advises executives and operational management on areas requiring improvements and subsequently monitors the implementation of its recommendations. In the Internal Audit process, no material internal control failures or significant issues were discovered during the financial year.

### 7. EXECUTIVE COMMITTEE

The Executive Committee which consists of the Chairman of the Board and the principal officers of the Company, namely the Chief Executive Officer and the Chief Financial Officer. The Executive Committee main function is to manage the Company and its subsidiaries in all aspects of its business by directing and implementing strategic business plans as approved by the Board of Directors. The Committee is to identify, formulate and prioritise strategic issues and chart strategic directions for action by the Management and staff of the Company.

The Committee shall also report its discussions to the Board by distributing the minutes of its meetings and, where appropriate, by oral reports at Board meetings.

### 8. RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been established by the Board of Directors to assist in fulfilling its responsibilities for corporate governance and overseeing financial reporting, internal controls and risk management. The membership of Risk Management Committee is comprised of non-executive independent Directors only. The chairperson of the committee must not be the chairperson of the Board of Directors. The committee shall meet independent of management and made regular reports of development in risk management to Board of Directors.

### 9. TENDER COMMITTEE

The Tender Committee, which consists of three (3) members from the Senior Management, reviews all significant procurement exercises based on the established policies and procedures of the Company before review and approval by the Chief Executive Officer or the Board.

### 10. FINANCE COMMITTEE

The Finance Committee, which consists of seven (7) members from the Senior Management including the Chief Executive Officer, reviews the monthly financial numbers of the Company and of its subsidiary companies to ensure the completeness and accuracy of the information provided. The Committee also ensures that all statutory submissions are submitted on a timely manner and that the Group complies at all times, with the relevant statutory regulations.

### 11. SENIOR MANAGEMENT COMMITTEE

The Senior Management Committee, which comprises six (6) Senior Managers and the Chief Executive Officer, meets at least once a month to review the Group's performance and to ensure that all functions within the organization are working towards the Group's goals and objectives. Certain major issues are decided at the Senior Management Committee. Any other matters which are beyond the authority of the Senior Management Committee will be escalated to the Board of Directors for decision through the Chief Executive Officer.

Statement made in accordance with the resolution of the Board of Directors dated **27th July 2011**.

## Statement of Directors' Responsibility

for preparing the Annual Audited Accounts

This statement is prepared as required by the Listing Requirements of Bursa Malaysia Securities Berhad. The Directors are required to prepare financial statements which give a true and fair view of the state of affairs of the Group and the Company as at the end of each financial year and of their results and their cash flows for that year then ended.

In preparing the financial statements, the Directors took into consideration the following:-

- \* the Group and the Company have used appropriate accounting policies and are consistently applied;
- \* reasonable and prudent judgments and estimates were made; and
- \* all applicable approved accounting standards in Malaysia have been followed.

The Directors are responsible for ensuring that the Group and the Company maintains accounting records that disclose with reasonable accuracy the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the Companies Act, 1965. The Directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group and the Company and to prevent and detect fraud and other irregularities.

## Statement on Risk Management

The Group has a well-defined organisational structure that is aligned to its business and operations requirement. Clear lines of responsibility and accountability, approval, authorisation and control procedures have been laid down and communicated throughout the Group.

The internal control mechanisms are embedded in various work processes and procedures at appropriate levels of the Group. These procedures, documented in various Standard Operating Manuals were reviewed and updated regularly, or when it is deemed necessary by the relevant heads of departments.

The Group has in place a formal risk management process for identifying, evaluating, monitoring, and managing significant risks that may materially affect the Group. Continuous effort to identify and assess all types of risks in terms of likelihood and magnitude of impact are currently undertaken as well as to evaluate the adequacy of mechanisms in place to manage, mitigate, avoid or eliminate these risks.

At Nationwide Express, our risk management is based on seven (7) pillars i.e. Commitment, Culture, Partnership, Prioritisation, Action, Continuous Improvement and Communication.

### THE GROUP'S RISK MANAGEMENT PRINCIPLES

#### COMMITMENT

The Group is committed towards risk management, and its commitment is tangible and visible.

#### CULTURE

The Group promotes a proactive "risk reduction culture" in its day-to-day operations.

#### PARTNERSHIP

Risk management at the Group is built on interaction amongst all parties involved in the business process.

#### PRIORITISATION

Analysis of risk leads to effective risk management approach in terms of prioritising which risks to address.

#### ACTION

The Group adopts a bias for action in its risk management approach.

#### CONTINUOUS IMPROVEMENT

The Group seeks for continuous improvement in its risks management results and efficiency.

#### COMMUNICATION

Risk knowledge is shared throughout the Group.

# Statement on Risk Management

**BOARD OF DIRECTORS**

Overall responsibility for the Group's system of internal control, which includes financial, operational, compliance and risk management necessary for the Group to achieve its business objectives within an acceptable risk profile.

**AUDIT COMMITTEE**

Review the effectiveness of Risk Management Committee and progress of risk reduction initiatives.

**CHIEF EXECUTIVE OFFICER**

**RISK MANAGEMENT COMMITTEE**

Formulate risk management framework, identify broad risk categories, assess potential losses in relation to value at risk, monitor management's action and progress in risk reduction initiatives, review risks rating & ensuring compliance.

**HEAD OF DIVISIONS/  
SUBSIDIARIES**

**HEAD OF  
DEPARTMENTS /  
STATIONS**

Translate broad risk categories into smaller strategic and operational risk components, implement risk reduction initiatives & ensuring compliance.

**STAFF**

## Board of Directors



from left to right:

**TAN SRI DATO' SULAIMAN BIN SUJAK**

Independent, Non-Executive Director

**ROZILAWATI BINTI HAJI BASIR**

Non-Independent, Non-Executive Chairman

**DATO' ADNAN BIN SHAMSUDDIN**

Senior Independent, Non-Executive Director

**DR. ROSHAYATI BINTI BASIR**

Non-Independent, Non-Executive Director

**YONG KOK LIEW**

Independent, Non-Executive Director



## Board of Directors

NATIONWIDE EXPRESS COURIER SERVICES BERHAD

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### ROZILAWATI BINTI HAJI BASIR

Non-Independent, Non-Executive Chairman

B.A. (Hons) Degree Social Sciences majoring in Law  
(University of Hertfordshire, UK)  
Masters in Business Administration in International  
Business  
(University of Bristol, UK)  
40 years of age – Malaysian

Rozilawati binti Haji Basir was appointed as Chairman of the Board effective 1st April 2010, having joined Nationwide Express Courier Services Berhad as a Director on 1st September 2000 and Executive Director/Chief Executive Officer since 31st March 2003 till 31st March 2010. She also serves as Chairman of the Executive Committee since 1st April 2010. She has experienced in the areas of corporate strategy, marketing, development of new businesses and entrepreneurship both locally and overseas. Rozilawati is also a Non-Independent Non-Executive Director of Kumpulan Fima Berhad and serves as Director of several private limited companies in Malaysia and Singapore. She is the sister of Dr. Roshayati binti Basir, a Director of the Company and has family relationships with BHR Enterprise Sdn Bhd, the major shareholder of Nationwide Express Courier Services Berhad. She has an indirect interest in the Company via BHR Enterprise Sdn Bhd. She has never been convicted for any offence within the past ten (10) years.

## Board of Directors

## DATO' ADNAN BIN SHAMSUDDIN

Senior Independent, Non-Executive Director

B.A. (Hons) in Economics (University Malaya)  
M.A. Economics (University of Southern California)  
64 years of age - Malaysian

Dato' Adnan bin Shamsuddin was appointed to the Board on 7th July 2004 and Chairman of the Board on 20th August 2004 till 31st March 2010. Dato' Adnan has been redesignated as Senior Independent Non-Executive Director effective 1st April 2010. He began his career by joining the Administrative and Diplomatic Services, of the Government of Malaysia in April 1971 and was appointed as Assistant Secretary, Ministry of Transport. After four (4) years at the Ministry of Transport, he was awarded a scholarship to pursue graduate studies in United States in 1975. He returned to Malaysia in 1977 and was posted as Director of Air Transport in the Department of Civil Aviation and in 1983, promoted to the post of Deputy Director General of Civil Aviation. When the airport was corporatised in November 1992, he opted to join Malaysia Airports Holdings Berhad and served as Executive Director until he retired in April 2003. Dato' Adnan is also an Independent Non-Executive Chairman of Fima Corporation Berhad. He has never been committed for any offence within the past ten (10) years.



## Board of Directors

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### TAN SRI DATO' SULAIMAN BIN SUJAK

Independent, Non-Executive Director

Graduate of Royal Air Force College, Cranwell, England  
Senior Executive Graduate Programme, Stanford  
University, USA

Royal College of Defence Studies, London  
77 years of age – Malaysian

Tan Sri Dato' Sulaiman bin Sujak was appointed as Director on 2nd January 2003. He also serves the Company as the Chairman of the Audit Committee and Member of the Nomination and the Remuneration Committees. He was an advisor (now known as Assistant Governor) of Bank Negara Malaysia and was a Commercial Director of Kumpulan Guthrie Berhad. He was also the Deputy Chairman of Malaysian Airline System Berhad for twenty four (24) years. He had served both the Royal Air Force and the Royal Malaysian Air Force and was the first Malaysian Air Force Chief. Currently, he is a Director of HSBC Bank Malaysia Berhad, FACB Industries Incorporated Berhad and Cycle & Carriage Bintang Berhad. He has never committed for any offence within the past ten (10) years.

## Board of Directors

## DR. ROSHAYATI BINTI BASIR

Non-Independent, Non-Executive Director

MBBS (Mal), University of Malaya  
Master in Med. Radiology, Universiti Kebangsaan Malaysia  
47 years of age, Malaysian

Dr. Roshayati binti Basir was appointed to the Board on 30th March 2004. She also serves the Company as Chairman of the Nomination and the Remuneration Committees and Member of the Audit Committee. She is a doctor by profession. She did her Internship with Hospital Kuala Lumpur in 1989. She then served as Medical Officer (Surgery) with University Kebangsaan Malaysia in 1990 and later in 1992 as Trainee Radiologist. In 1996, she joined Hospital Kuala Lumpur as Radiologist. Currently, she is the Consultant Radiologist with Sunway Medical Centre. She is a Member of the Academy of Medicine (Malaysia). Dr Roshayati is also a Non-Independent Non-Executive Director of Fima Corporation Berhad. She is the sister of Rozilawati binti Haji Basir, the Chairman of the Company and has family relationships with BHR Enterprise Sdn Bhd, the major shareholder of Nationwide Express Courier Services Berhad. She has an indirect interest in the Company via BHR Enterprise Sdn Bhd. She has never committed for any offence within the past ten (10) years.





## Board of Directors

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### YONG KOK LIEW

Independent, Non-Executive Director

Chartered Institute of Management Accountants, UK  
62 years of age - Malaysian

Yong Kok Liew was appointed to the Board on 22nd August 2005. He also serves the Company as a Member of the Audit Committee, the Nomination Committee and the Remuneration Committee. He is a member of the Malaysian Institute of Accountants and also an associate member of the Chartered Institute of Management Accountants, U.K.

He started his working career in 1969 with Messrs. KPMG Peat Marwick. Prior to his present engagement as adviser to Toyo Ink Group Berhad, he was the General Manager of Toyo Ink (M) Sdn Bhd (2001-2007), Senior General Manager, Operations at Kumpulan Fima Berhad (1985-1990), General Manager, Kotak Malaysia (KOM) Sdn Bhd (1981-2000), Group Financial Controller, Kumpulan Fima Berhad (1979-1980), Group Internal Auditor of Kumpulan Fima Berhad (1975-1979) and Financial Accountant, Cold Storage (M) Berhad (1974-1975). He has never committed for any offence within the past ten (10) years.

## Board of Directors

### AERMAN ISKANDAR BIN ABRAHIM

Company Secretary



### AMIRUDDIN BIN ABDUL SHUKOR

Company Secretary



#### NOTES:

- (i) Save as herein disclosed, none of the Directors have family relationship with any Directors and/or major shareholders of the Company.
- (ii) Save for that disclosed in the section on Related Party Transactions, none of the Directors have any conflict of interest with the Company and its subsidiaries.
- (iii) None of the Directors have any conviction for offences within the past ten (10) years other than traffic offences.



## Report on Audit Committee

NATIONWIDE EXPRESS COURIER SERVICES BERHAD

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### MEMBERS OF THE AUDIT COMMITTEE

**Tan Sri Dato' Sulaiman bin Sujak**  
Chairman/Independent, Non-Executive Director

**Dr. Roshayati binti Basir**  
Member/Non-Independent, Non-Executive Director

**Yong Kok Liew**  
Member/Independent, Non-Executive Director

# Report on Audit Committee

## TERMS OF REFERENCE OF THE AUDIT COMMITTEE

### CONSTITUTION

The Board constitutes and establishes an Audit Committee (AC) with authority, responsibilities and specific duties as described below.

### COMPOSITION

In line with the Malaysian Code of Corporate Governance, which was revised on 1st October 2007, all three (3) members of the AC are Non-Executive Directors (NED). Two (2) AC members, including the AC Chairman are independent NED.

All members of the AC have a working familiarity with basic finance and accounting practices, and one (1) of the members i.e. Yong Kok Liew is a member of Malaysian Institute of Accountants (MIA) and also an associate member of Chartered Institute of Management Accountant (UK).

### RESPONSIBILITIES AND DUTIES

The functions of an Audit Committee shall be to:

- Review with the external auditors:-
  - the audit plan;
  - their evaluation of the system of internal accounting control; and
  - the audit report;
- Review the assistance given by the Company's officers to the auditors;
- Review the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work;
- Review the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
- Review the quarterly results and year end financial statements, prior to the approval by the board of directors, focusing particularly on:-
  - changes in or implementation of major accounting policy changes;
  - significant and unusual events; and
  - compliance with accounting standards and other legal requirements;
- Review any related party transaction and conflict of interest situation that may arise within the listed issuer or group including any transaction, procedure or course of conduct that raises questions of management integrity;
- Review any letter of resignation from the external auditors of the listed issuer;
- Review whether there is reason (supported by grounds) to believe that the listed issuer's external auditor is not suitable for re-appointment; and
- Recommend the nomination of persons as external auditors.

# Report on Audit Committee

## MEETINGS

The Committee shall meet at least on four (4) occasions each year or more as circumstances dictate.

A meeting was also held between the External Auditors and members of the Audit Committee in the absence of management during the year. Going forward, the Audit Committee will hold at least two (2) meetings a year with the external auditors as promoted by the Amended Code on Corporate Governance and the amended Chapter 15 of the Bursa Malaysia's Listing Requirements.

## ATTENDANCE

Members of the Committee are to be present at all meetings. The quorum for the meeting shall be two (2). The Chairman may request that members of management, the internal auditors and representatives of the external auditors to be present at meetings of the Committee.

Five (5) meetings were held during the financial year. The records of attendance are as follows:-

Audit Committee Members	No.	25th May 10	28th July 10*	26th Aug 10	22nd Nov 10	23rd Feb 11
Tan Sri Dato' Sulaiman bin Sujak	5/5	Present	Present	Present	Present	Present
Yong Kok Liew	5/5	Present	Present	Present	Present	Present
Dr. Roshayati binti Basir	5/5	Present	Present	Present	Present	Present

\* Special meeting of the Audit Committee

Two (2) meetings were held between the External Auditors and members of the Audit Committee without the present of the management during the year.

## MINUTES

- The Company Secretary shall be the Secretary to the Committee.
- Minutes of each meeting shall be prepared and sent to committee members and the Company Directors who are not members.

## FINDINGS AND RECOMMENDATIONS

The AC shall report its findings and recommendations to the Board but the Committee itself shall have no executive power with respect to those findings and recommendations.

## Report on Audit Committee

### INTERNAL AUDIT ACTIVITIES REPORT

The Internal Audit Department was established on 1st June 1999. At present, there are four (4) personnel in the Department, comprising of one (1) Manager, one (1) Audit Executive and two (2) Audit Assistants. Its principle functions are to conduct review of operations and procedures, and subsequently highlight findings and suggest recommendations to the Committee for further improvement.

During the financial year, the following audit was conducted:-

TYPE OF AUDIT	AREAS/ENTITIES AUDITED
Compliance with operations, internal control Procedures and review of work processes	9
Investigation Audit	1

Key issues, including management's feedback and audit recommendations were highlighted to the AC. The external auditors have reviewed and endorsed the key issues and management's feedback.

Future Internal Audit Plans were reviewed and approved for execution by the AC to ensure best practices are followed by the Company. The external auditors have given their views on the nature, scope and approaches of future audits to the Committee.

The quarterly and year-end financial statements were reviewed by the AC before submitting to the Board. Attention was given on the compliances to the Malaysian Accounting Standard Board (MASB), and other legal and regulatory requirements.

### STATEMENT BY THE AUDIT COMMITTEE IN RELATION TO ESOS ALLOCATION

For the financial year ended 31st March 2011, the AC noted that no further ESOS were allocated to the employees for the said financial year.

# Chairman's Statement



*Dear shareholders,*

On behalf of the Board of Directors of Nationwide Express Courier Services Berhad (“Nationwide Express” or “the Company”), it is my pleasure to present to you the Annual Report and Audited Financial Statements of the Group for the financial year ended 31st March 2011.

ROZILAWATI  
BINTI HAJI BASIR

Chairman

## Chairman's Statement

### THE ECONOMIC OUTLOOK

The world economy has recovered since mid 2009 following numerous national policy measures, which enhanced private demand and global trade condition. However, the recovery path is uneven with developing Asia leading global growth, while advanced nations trailing behind.

After a blistering pace in the 1Q10, the global economy softened in 2Q10. This cyclical slowdown is due to weaker global trade conditions and the ongoing sovereign debt problem in the Eurozone.

Similarly in Malaysia, economic growth decelerated in 2Q10 on slower growth in net exports. Domestic demand was strong with private investment gradually recovering. All key sectors moderated, but were dominated by manufacturing and services.

Nonetheless, recent statistical data indicate that the world economy seems to be gaining momentum and price pressure slowly building up. Inflation is expected to trend upwards due to the effects of quantitative easing in the U.S., geopolitical tensions in the Middle East and North Africa, and on the reconstruction of Japan. In addition, the sovereign debt issue continues to affect parts of the Eurozone with repercussions on the global economy.

In Malaysia, economic growth is projected to moderate to 5.2% year on year in 2011, before rising to 5.5% in 2012. Structural impediments in net exports will drag down overall GDP growth in 2011, while domestic demand will likely be strong due to supportive government policy measures.

### THE INDUSTRY OUTLOOK

With the liberalization in the industry, many international companies now can set up in Malaysia with minimal regulatory restrictions. FY 10/11 saw many international companies commenced to establish its presence in Malaysia by setting up a company or through strategic acquisitions and partnerships amongst others the establishment of Yamato Transport (M) Sdn Bhd (a Japanese based company), the strategic acquisition of a Malaysian courier company by Aramex (M) Sdn Bhd (Jordan based company) and Singapore Post Limited increasing its equity stake in another local player.

Another turning point was the divestment of Khazanah Nasional Berhad's shares in Pos Malaysia Berhad to DRB-Hicom Berhad, which we view shall change the landscape of the postal and courier industry.

We are hopeful that with all these changes, the industry would further grow to act as an enabler of the country's economic viability.



# Chairman's Statement



## THE GROUP'S OVERVIEW

### The Group's Overview

While the FY 10/11 was one of general economic recovery, there remained uncertainties over the strength and sustainability of the recovery. The Group has thus adopted a cautious approach in its business expansion, focusing on cost control and improvement in operational efficiencies. Battling a tough FY 10/11 by enduring the rugged economy, our Company has overcome the odds to stay on track of growth by generating increased in revenue, whilst meeting the demands of our customers without compromising on the quality standard of our business processes.

The Group posted revenue of RM92.390 million for the financial year ("FY") 10/11, higher than FY 09/10 performance of RM87.520 million i.e. an increase of RM4.870 million. The Group posted operating costs of RM68.718 million in FY 10/11 i.e. an increase of RM4.109 million from the previous financial year. The Group's profit before tax was registered at RM2.164 million in FY 10/11 as compared to RM2.852 million at the last FY whilst the Group's profit after tax was registered at RM1.270 in FY 10/11 in comparison to RM1.792 registered in FY 09/10. The increase in operating expenses was mainly due to the abolishment of the fuel subsidy enjoyed by the Group over the past years.

Overall, the Group continued to focus on prudent spending and on full cost optimisation across the entire value chain. The Group's initiatives have been rolled out throughout the Group driven by the dynamic mantra of "A Promise Delivered". In the current economic climate, the Group will continue to assume an integral role in helping the Company stay competitive to ensure long-term profitable growth.

The Group will also be focusing on enhancing Nationwide Express' operational efficiencies to drive cost savings and improve margins, as well as seeking to grow revenue and earnings through aggressive marketing and acquisition of new customers. We have also set our sights on enhancing our businesses and assets to facilitate optimal utilisation of resources to unlock value and enhance future growth of the Group. Nationwide Express is well geared and equipped to make progress in 2011 to pursue its vision to be the premier total logistics provider globally providing innovation in services with state of the art technology.

In the coming year, the Group will strive for improved efficiency across its operations by maximizing the use of its resources and deliver enhanced value to the customers and all its stakeholders. The Group intends to mitigate the rise in cost by intensifying our cost management i.e. by implementing cost mitigation measures and process improvement initiatives.

Over the last 26 years, Nationwide Express has grown to become a Malaysian household name with a well-earned reputation in providing fast and reliable door-to-door express deliveries. Our presence in over 180 locations supported by over 500 motorbike couriers and 244 truck drivers, enables us to instantly respond to our customers' urgent collections and delivery instructions as we adhere to rigorous service standards of 24/7.

With the mass resources in place, the holding company had to accordingly manage its costs efficiently and realised savings by focusing on business process improvement programme and several procurement initiatives. FY 10/11 saw us effectively improving on operational and cost efficiencies by enhancing existing initiatives and putting several new ones in

## Chairman's Statement

place. The Group will continue to optimise operating costs and undertake effective capital management, the benefits of which will bring about improvements in our financial performance.

On the domestic front, we pursue to streamline and integrate the operations of our Group of companies. We hope the good operational synergies will garner positive growth of revenue and accordingly strengthen our domestic market dominance. Today, Nationwide Express is proud to have a network of 180 throughout Malaysian and we will keep on pursuing to increase the size of our network to realise our objective.

At the international front, the Group will continue to explore value accretive investment opportunities to expand our operations beyond our shores. Although there have been requests and proposals for us to venture into other countries, we will carefully assess such opportunities before we expand our regional scope.

### EFFICIENCY THROUGH TECHNOLOGICAL DRIVEN INITIATIVES

We believe that information and communication technology (ICT) acts as a catalyst to the Company's competitiveness. Through proper application, ICT can help the Company to meet its goals, improve productivity and profitability as well as help the Company to work more effectively. That is why we continuously invest in efficient equipment and processes.

Time, efficiency and innovation are crucial to the ever competitive industry. We embrace and understand these qualities to stay on top with innovative solutions that make a difference. To keep pace with a fast-changing marketplace, we need to develop a greater understanding of the market tools and customer needs. As a consequence, we offer new

technologies that anticipate and respond to rapid changes in domestic supply chains such as our web based courier application system which is already up and running. Via the implementation of the Web NICAS, we reaped the benefits of greater productivity, better cost efficiencies as well as efficient communication and information dissemination. To ensure the Company stays ahead of its peers and especially to provide convenience to our customers, many other e-solutions are currently being developed and introduced by the Company.

The state of the art system is hoped to assist Nationwide Express in creating innovative services, reengineering business processes and reinventing the basis of competitive advantages in the marketplace. Thus, enabling Nationwide Express to perform technology leapfrogging over its competitors. Above all, we hope this investment will improve the Company's productivity and long-term shareholders value.

### DRIVING STRATEGIC SUCCESS THROUGH HUMAN CAPITAL DEVELOPMENT

An organization's most valuable asset is its human capital. The knowledge, skills and expertise garnered by the employee are the main factors that determine the success of each organization.

Since our human capital is our most important assets, human capital development remains one of our top priorities. Human capital costs remained significant with the continued initiatives and investment to train, retrain, retain and acquire new talents, which are essential to ensure competitiveness to deal with the current challenges in the context of globalization and trade liberalization. Nationwide Express further identified

various strategies for human capital development by focusing on the role of education, training, lifelong learning and capacity building.

Depending on human capital development as a key success factor to improve Nationwide Express' ability to increase its productivity in line with its corporate strategy and to better support the business, we identify that efficient and effective training is essential to meet the desired objective. Thus, specially tailored training courses were developed for our employees to enable them to perform their duties and make meaningful contribution towards the success of the Company's goal. Believing human capital development will drive the Group's strategic success, a Courier and Logistics Training Centre, have also been set up. Located in Shah Alam, the centre is designed to provide all levels of employees with academic and on the job training.

### BRAND BUILDING TO ENHANCE IMAGE AND CREATE VALUE

A strong brand is invaluable as the battle for customers intensifies day by day. We believe that it is important to spend time investing in researching, defining, and building our brand. After all, our brand is the source of a promise to our customers. Thus, it is important for us to recognise the changing needs and demands of our customers.

Even though Nationwide Express is a brand that was introduced more than two (2) decades ago and over the years has evolved into a household brand name which is synonymous to courier and express delivery services in the Malaysian logistics scene, it is still pertinent that we constantly understand the the needs and wants of our customers and prospects. This is done by integrating our brand strategies

## Chairman's Statement

through the Company at every point of public contact as our brand resides within the hearts and minds of customers, clients, and prospects. It is the total sum of their experiences and perceptions.

As the Group recognise that a strong brand is a valuable corporate asset, we are aggressively formulating ongoing branding strategies to enhance the present image from a mere courier service to a total logistics service provider. In addition, various marketing and communication initiatives such as advertising, direct marketing, brand associations and public relations will further improve our market presence as well as awareness amongst all stakeholders. A strong brand like ours will not only reflect the services we offer, but portray what we stand for!

Managing Nationwide Express' brand for competitive advantage is part of the Group's main objective to build strong brand loyalty and equity and accordingly to ensure that the brand remains relevant in today's world. We believe our home grown brand can weather it all and stand tall in both the domestic as well as in the international ground. For the FY 10/11, the Group continued to enhance Nationwide Express' brand market dominance, brand resilience, brand goodwill, customer loyalty and overall market acceptance. In raising our branding standard, we will strive to display our branding excellence especially in our business activities i.e. delivering our brand promises, enduring values and impeccable social and business standards. With this, we trust that Nationwide Express' excellent performance, achievement and conformity of products and services – assurance of quality, safety and reliability will be constantly recognised by all.

Nationwide Express' brand achievements are not only recognised as a mark of excellence achieved by us. It also provides Nationwide Express with a significant promotional asset which helps reassure consumers that they are making the right choice and encourages new consumers to join the brand franchise. The awards and recognitions bestowed on Nationwide Express strengthen our brand position, add prestige and sets Nationwide Express apart from its competitors.

### **STREAMLINING OF PROCESSES TO STANDARDIZE THE QUALITY & CUSTOMER EXPERIENCE**

Proper quality management improves business, often having a positive effect on investment, market share, sales growth, sales margins, competitive advantage and avoidance of litigation. The Company believes that ISO 9000 guidelines provide a comprehensive model for quality management systems that can make the Company be more competitive by creating a more efficient and effective operation; increase customer satisfaction and retention, enhance marketing, improve employee motivation, awareness and morale and ultimately increase profit and productivity.

On that note, Nationwide Express was accredited with ISO 9001:2000 in December 2006 and since FY 09/10, the Company has been recertified under ISO 9001:2008. With the certification, the Company is committed to Exceeding Customer Expectations through Implementation and Continuous Improvement of our Quality Management System. Absolute Customer Satisfaction is the expectation and, will be achieved through supplying a Superior Product, On-time, at a Competitive Price.

To ensure that we maintain the ISO standard at all times, we are also focused on streamlining our processes. Through quality driven management, we've taken a whole new approach to standardizing quality across the entire Group. We aim to make sure every customer experience is not only outstanding but also consistent — for every customer, every time. We're also realigning our organization and resources to concentrate on those things that matter most — how to improve the customer experience and be easier to do business with. Most importantly, this exercise will simultaneously lower costs and improves efficiency.

### **EFFECTIVE CORPORATE GOVERNANCE FOR FUTURE GROWTH & SUSTAINABILITY**

The Board remains committed to implementing effective corporate governance practices that protect the Group's reputation and our stakeholders' interests. Corporate governance is not merely the adoption of good business practices, but a continuous process that requires periodic assessment and refinement of management practices and systems. Stringent internal and external controls ensure that ethical business practices are carried out with professionalism and that the tenets of integrity, transparency and accountability are upheld in all business activities.

Good governance is the foundation of an ethical approach to business and plays a key role in the Group's growth and development. We will continue to adopt high standards of corporate governance to safeguard shareholders' interests. Beyond astute financial performance, measures such as Board composition, the interaction between Management and the Board, the accountability and professionalism of the Management team, and other good corporate governance

## Chairman's Statement

measures, are key elements in ensuring the Group's performance, future growth and sustainability. A detailed Directors' statement of corporate governance is set out in this report.

### UNDERTAKING RESPONSIBLE BUSINESS PRACTICES THROUGH CORPORATE SOCIAL RESPONSIBILITY

Nationwide Express has always been committed to undertaking responsible business practices that create value which ensure the sustainable growth of our businesses, employees, customers, shareholders, partners and the communities and environment that we operate in since the Company recognizes that its business have direct and indirect impact on the communities in which we operate. The initiatives of Corporate Social Responsibility (CSR) have been an integral part of the Group's social objectives. This means integrating CSR activities into our workplace, our market place, our community and our environment.

Bearing the CSR in mind, we at Nationwide Express recognise our responsibility to play an important role in our workplace, our market place, our community and our environment. Thus, we are committed to achieve those goals on our own accord and/or in partnership with others, the initiatives of which are as highlighted in the CSR Statement in this Annual Report.

### PRESERVING SHAREHOLDERS VALUE

In line with the Group's financial performance, the Board of Directors has recommended a final dividend of 3.5% less 25% taxation (2010 : 4% less 25% tax). The proposed final dividend is subject to the shareholders' approval at the forthcoming Annual General Meeting.

The Group's current dividend payout policy is proposed to be paid out to shareholders in accordance with the Group's net profit. Even though the Group is in a good cash position, we are mindful of the need to balance shareholders' interests with other financial commitments which include funding business operations and maintenance, improvement and upgrading of our facilities as well as setting funds aside for future expansion and growth.

### LOOKING AHEAD

#### Economic Outlook

The positive sentiments of global economic recovery brought about by the efforts worldwide give rise to strong belief of promising economic condition ahead. The role the Malaysian government played in revitalising the economic strength of the country by the introduction and implementation of economic stimulus packages has contributed towards earlier-than-anticipated growth of our GDP. The tapping of rich domestic resources for economic enhancement and strengthening has also shown positive results.

We are confident Malaysia is now moving forward to achieving better economic performance. The prospects of further improvement of the Malaysian economy are undoubtedly stronger than that in the past year.

With the world economy improving in 2011, we foresee the Malaysian economy to benefit from the higher global demand for its products. Economic indicators are showing that Malaysia should register a positive economic growth for 2011, and we expect the Group will fully leverage this positive economic sentiment to ensure growth.



## Chairman's Statement

### The Group's Prospects

As one (1) of Malaysia's leading courier service provider which has been in existence for over 26 years, we have made the long-term sustainability of our operations and the growth of the Company as our top priorities. To ensure our agenda of sustainability continues unhindered, we remain committed to conduct our business in a manner which ensures sustained financial growth and strengthens our operational ability to meet the demands of all our stakeholders. This effort is reflected in this year's Annual Report which features the theme "Making IT Happen - Connecting People, Delivering Excellence."

Going into FY 11/12, the Board remains confident that the Group will continue to strive forward. Nationwide Express has the requisite skills and financial flexibility to mitigate the risks and seize the opportunities created by current economic conditions, with the objective of continuing to create value for its shareholders over the long term.

The Group cautiously expects and targets to perform better in the new financial year. Mindful of the challenges expected in the forthcoming year, we will remain focused on taking appropriate measures necessary to mitigate the effects thereof. We are confident that we will weather the current challenging conditions through successfully. Close relationship with our customers, improvement in operational efficiencies, sensible cost control, deployment of better infrastructure and enhanced human capital will be the key ingredients going into the new financial year to ensure Nationwide Express remains focus in pursuance of its business growth. We aim for even better revenue but more importantly, with considerable profit improvement.

While we remain cautiously optimistic, the Group will continue to make investments in equipment and technology in line with its objective of being the leader in the courier industry. We are confident that with the commitment of our people, strict internal controls and good business management in place, we will be able to perform within expectations.





## Chairman's Statement

### ACKNOWLEDGEMENTS

I am indeed grateful to all our stakeholders for your enduring confidence in and support to Nationwide Express. On behalf of the Board of Directors, I wish to record my appreciation to all our shareholders for their support and confidence in the Group. I would also like to thank our loyal customers, the regulatory bodies, suppliers and business partners for their support and assistance. We look forward to your continued cooperation. My gratitude also goes to my fellow Directors for their immeasurable guidance, prudent counsel and strategic approach towards achievement of our corporate objectives. We trust that the wealth of experience of our directors will steer the Group towards achieving our goals. My sincere appreciation also goes to the management and all employees of the Group for their dedication, commitment and contributions to the Group for their devotion, commitment and determination to take Nationwide Express to the next phase of growth in our journey. With the support and cooperation of everyone, we shall charge into the future and face challenges with enthusiasm and confidence to successfully realise the Group's vision.

Thank you.

**Rozilawati Haji Basir**  
Chairman





## Senior Management Team

### AHMAD NAJMI BIN MAHFODZ

Chief Executive Officer

B.A. (Hons) Degree in Accountancy  
Masters in Business Administration (Finance)  
(International Islamic University, Malaysia)  
39 years of age – Malaysian

Ahmad Najmi bin Mahfodz was appointed as Chief Executive Officer effective 1st April 2010, having joined Nationwide Express Courier Services Berhad as Chief Financial Officer since 2007. He also serves as Member of Executive Committee of the Company.

Prior to that, he spent eight (8) years in Sapura Group with his last position as the General Manager, Finance and Operations. A Chartered Accountant and Certified Public Accountant, he received his early training in an international accounting firm in Kuala Lumpur for five (5) years. He is a member of The Malaysian Institute of Accountants and The Malaysian Institute of Certified Public Accountants. He has no family relationship with any Directors and/or major shareholders of the Company. He does not have any conflict of interest with the Company and its subsidiaries. He has never committed for any offence within the past ten (10) years.



## Senior Management Team



### IZMAN BIN ISMI

Head, Nationwide  
Express Metro Sdn. Bhd.

### AMIRUDDIN BIN ABDUL SHUKOR

Chief Financial Officer

### KAMARUDDIN BIN ABU BAKAR

General Manager,  
Operations

## Senior Management Team



**NIWAN RAHIMA  
BIN WAN  
IBRAHIM**

Senior Manager,  
Risk Management

**HARANI  
BINTI KHALID**

Senior Manager,  
Legal & Compliance

**NORWAZIAH  
BINTI HAJI WARI**

Senior Manager,  
Marketing & Branding

# Financial Statements

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# Directors' Report

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2011.

## PRINCIPAL ACTIVITIES

The principal activities of the Group consist of providing express courier services, trucking services, freight forwarding services, customised logistics services, mailroom management services, retail and warehousing. The principal activities of the Company are those of providing express courier and customised logistics services.

The principal activities of the subsidiaries are described in Note 15 to the financial statements.

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

## RESULTS

	Group RM'000	Company RM'000
Profit net of tax	1,270	1,772

There were no material transfers to or from reserves or provisions during the financial year.

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

## DIVIDENDS

The amounts of dividend paid or declared by the Company since 31 March 2010 was as follows:

	RM'000
In respect of the financial year ended 31 March 2010 as reported in the Directors' report of that year:	
Final dividend of 4.0% less 25% taxation, paid on 25 October 2010	1,803

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 March 2011, of 3.5% less 25% taxation on 60,116,200 ordinary shares, amounting to a dividend payable of RM1,578,050 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 March 2012.



# Directors' Report

## DIRECTORS

The names of the Directors of the Company in office since the date of the last report and at the date of this report are:

Rozilawati binti Haji Basir  
 Dato' Adnan bin Shamsuddin  
 Tan Sri Dato' Sulaiman bin Sujak  
 Dr. Roshayati binti Basir  
 Yong Kok Liew

In accordance with the Company's Articles of Association, Rozilawati binti Haji Basir retires at the forthcoming Annual General Meeting and being eligible, offers herself for re-election.

Tan Sri Dato' Sulaiman bin Sujak retires, pursuant to Section 129(2) of the Companies Act, 1965 and a resolution is being proposed for his re-election as Director under the provision of Section 129(6) of the said Act to hold office until the next Annual General Meeting of the Company.

## DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during the year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from the share options granted pursuant to Nationwide Express Courier Services Berhad's Employees Share Option Scheme ("ESOS").

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than the benefits included in the aggregate amount of emoluments received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company as shown in Note 10 to the financial statements) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest other than the option to subscribe for the Company's ordinary shares as disclosed below:

### Number of Options over Ordinary Shares of RM1.00 Each at Option Price of RM1.35

	As at 1 April 2010	Granted	Lapsed	As at 1 March 2011
Rozilawati binti Haji Basir	600,000	—	(600,000)	—
Dato' Adnan bin Shamsuddin	230,000	—	(230,000)	—
Tan Sri Dato' Sulaiman bin Sujak	190,000	—	(190,000)	—
Dr. Roshayati binti Basir	190,000	—	(190,000)	—

# Directors' Report

## DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the interests of Directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

Company	Number of Ordinary Shares of RM1 Each			
	1 April 2010	Bought	Sold	31 March 2011
<b>Direct Interest</b>				
Tan Sri Dato' Sulaiman bin Sujak	56,000	–	–	<b>56,000</b>
<b>Indirect Interest</b>				
Rozilawati binti Haji Basir	31,194,923	1,735,756	–	<b>32,930,679</b>
Dr. Roshayati binti Basir	31,194,923	1,735,756	–	<b>32,930,679</b>

The indirect interests are held by virtue of shareholdings in BHR Enterprise Sdn Bhd.

Rozilawati binti Haji Basir and Dr. Roshayati binti Basir, by virtue of their interests in shares in BHR Enterprise Sdn Bhd are also deemed interested in shares of all BHR Enterprise Sdn Bhd's subsidiaries to the extent BHR Enterprise Sdn Bhd has an interest.

None of the other Directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

## EMPLOYEE SHARE OPTION SCHEME ("ESOS")

The Company's Employee Share Option Scheme ("ESOS") is governed by the By-Laws, which were approved by the Company's shareholders on 15 February 2005.

Details of the ESOS are disclosed in Note 9 to the financial statements.

## OTHER STATUTORY INFORMATION

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
  - (i) The amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
  - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

## Directors' Report

### OTHER STATUTORY INFORMATION (CONT'D.)

- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
  - (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the Directors:
  - (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
  - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

### AUDITORS

The auditors, Hanafiah, Raslan & Mohamad, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 27 July 2011.

**Rozilawati binti Haji Basir**

**Dato' Adnan bin Shamsuddin**

## Statement By Directors

Pursuant To Section 169(15) Of The Companies Act, 1965

We, Rozilawati binti Haji Basir and Dato' Adnan bin Shamsuddin, being two of the Directors of Nationwide Express Courier Services Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 67 to 108 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2011 and of their financial performance and the cash flows for the year then ended.

The supplementary information set out on page 109 have been prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 27 July 2011.

**Rozilawati binti Haji Basir**

**Dato' Adnan bin Shamsuddin**

## Statutory Declaration

Pursuant To Section 169(16) Of The Companies Act, 1965

I, Amiruddin bin Abdul Shukor, being the officer primarily responsible for the financial management of Nationwide Express Courier Services Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 67 to 108 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by  
the abovenamed Amiruddin bin Abdul Shukor  
at Kuala Lumpur in the Federal Territory  
on 27 July 2011

**Amiruddin bin Abdul Shukor**

Before me,

# Independent Auditors' Report

## To The Members Of Nationwide Express Courier Services Berhad (Incorporated in Malaysia)

### REPORT ON FINANCIAL STATEMENTS

We have audited the financial statements of Nationwide Express Courier Services Berhad, which comprise the statements of financial position as at 31 March 2011 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 67 to 108.

#### Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditors' responsibility

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

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

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

#### Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2011 and of their financial performance and cash flows for the year then ended.

#### Report on other legal and regulatory requirements

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

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' report of the subsidiary of which we have not acted as auditors, which is indicated in Note 15 to the financial statements, being financial statements that have been included in the consolidated financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.
- (d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.



# Independent Auditors' Report

To The Members Of Nationwide Express Courier Services Berhad (Cont'd.)  
(Incorporated in Malaysia)

## Other matters

The supplementary information set out on page 109 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

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

**Hanafiah, Raslan & Mohamad**

AF: 0002

Chartered Accountants

**Ahmad Zahirudin bin Abdul Rahim**

No. 2607/12/12(J)

Chartered Accountant

# Statements Of Comprehensive Income

For The Financial Year Ended 31 March 2011

		Group		Company	
	Note	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
<b>Revenue</b>	4	<b>92,390</b>	87,520	<b>77,860</b>	74,572
Cost of services		<b>(68,718)</b>	(64,609)	<b>(61,722)</b>	(55,891)
<b>Gross profit</b>		<b>23,672</b>	22,911	<b>16,138</b>	18,681
<b>Other items of income</b>					
Interest income	5	<b>198</b>	149	<b>191</b>	143
Other income	6	<b>86</b>	27	<b>3,172</b>	3,883
<b>Other items of expense</b>					
Administrative expenses		<b>(19,289)</b>	(17,961)	<b>(15,496)</b>	(15,904)
Selling and marketing expenses		<b>(2,060)</b>	(1,890)	<b>(1,699)</b>	(1,812)
Other expenses		<b>(295)</b>	(252)	<b>(127)</b>	(124)
Finance costs	7	<b>(148)</b>	(132)	<b>(148)</b>	(132)
<b>Profit before tax</b>	8	<b>2,164</b>	2,852	<b>2,031</b>	4,735
Income tax expense	11	<b>(894)</b>	(1,060)	<b>(259)</b>	(691)
<b>Profit net of tax</b>		<b>1,270</b>	1,792	<b>1,772</b>	4,044
<b>Other comprehensive income</b>					
Foreign currency translation		<b>46</b>	(32)	<b>–</b>	–
<b>Total comprehensive income for the year</b>		<b>1,316</b>	1,760	<b>1,772</b>	4,044
Earnings per share (sen)					
Basic and diluted	12	<b>2.1</b>	3.0		

# Consolidated Statement Of Financial Position

As At 31 March 2011

NATIONWIDE EXPRESS COURIER SERVICES BERHAD

	Note	31.3.2011 RM'000	31.3.2010 (restated) RM'000	1.4.2009 (restated) RM'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	14	31,416	33,366	32,789
Deferred tax assets	16	144	470	578
		31,560	33,836	33,367
<b>Current assets</b>				
Inventories	17	530	532	879
Trade and other receivables	18	30,284	30,533	22,559
Cash and bank balances	19	14,960	13,744	16,210
		45,774	44,809	44,209
<b>TOTAL ASSETS</b>		<b>77,334</b>	<b>78,645</b>	<b>77,576</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity attributable to equity holders of the Company</b>				
Share capital	20	60,116	60,116	60,116
Share premium		413	413	413
Reserves	21	7,103	7,561	7,830
<b>Total Equity</b>		<b>67,632</b>	<b>68,090</b>	<b>68,359</b>
<b>Non-current liability</b>				
Hire purchase	22	218	1,589	1,192
		218	1,589	1,192
<b>Current liabilities</b>				
Other payables	23	7,984	7,355	7,122
Hire purchase	22	1,500	1,611	903
		9,484	8,966	8,025
<b>Total liabilities</b>		<b>9,702</b>	<b>10,555</b>	<b>9,217</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>77,334</b>	<b>78,645</b>	<b>77,576</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## Statement Of Financial Position

As at 31 March 2011

	Note	31.3.2011 RM'000	31.3.2010 (restated) RM'000	1.4.2009 (restated) RM'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	14	31,079	32,965	32,024
Investments in subsidiaries	15	612	612	912
Deferred tax assets	16	–	17	122
		<b>31,691</b>	33,594	33,058
<b>Current assets</b>				
Inventories	17	269	451	698
Trade and other receivables	18	31,772	29,771	19,267
Cash and bank balances	19	13,129	11,995	13,443
		<b>45,170</b>	42,217	40,010
<b>TOTAL ASSETS</b>		<b>76,861</b>	75,811	73,068
<b>EQUITY AND LIABILITIES</b>				
<b>Equity attributable to equity holders of the Company</b>				
Share capital	20	60,116	60,116	60,116
Share premium		413	413	413
Reserves	21	6,280	6,360	4,345
<b>Total Equity</b>		<b>66,809</b>	66,889	64,874
<b>Non-current liability</b>				
Deferred tax liabilities	16	130	–	–
Hire purchase	22	218	1,589	1,192
		<b>348</b>	1,589	1,192
<b>Current liabilities</b>				
Other payables	23	8,204	5,722	6,099
Hire purchase	22	1,500	1,611	903
		<b>9,704</b>	7,333	7,002
<b>Total liabilities</b>		<b>10,052</b>	8,922	8,194
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>76,861</b>	75,811	73,068

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# Statements Of Changes In Equity

For The Financial Year Ended 31 March 2011

NATIONWIDE EXPRESS COURIER SERVICES BERHAD

Group	Note	Equity, total RM'000	Share capital RM'000	Share premium RM'000	Non- distributable Exchange translation reserve RM'000	Distributable Retained profits RM'000
<b>At 1 April 2009</b>		68,359	60,116	413	(299)	8,129
Total comprehensive income for the year		1,760	–	–	(32)	1,792
Dividends	13	(2,029)	–	–	–	(2,029)
<b>At 31 March 2010</b>		68,090	60,116	413	(331)	7,892
<b>At 1 April 2010</b>		68,090	60,116	413	(331)	7,892
Effect of adoption FRS 139	2.2	29	–	–	–	29
<b>At 1 April 2010 - as restated</b>		68,119	60,116	413	(331)	7,921
Total comprehensive income for the year		1,316	–	–	46	1,270
Dividends	13	(1,803)	–	–	–	(1,803)
<b>At 31 March 2011</b>		<b>67,632</b>	<b>60,116</b>	<b>413</b>	<b>(285)</b>	<b>7,388</b>
<b>Company</b>						
<b>At 1 April 2009</b>		64,874	60,116	413	–	4,345
Total comprehensive income for the year		4,044	–	–	–	4,044
Dividends	13	(2,029)	–	–	–	(2,029)
<b>At 31 March 2010</b>		66,889	60,116	413	–	6,360
<b>At 1 April 2010</b>		66,889	60,116	413	–	6,360
Effect of adoption FRS 139	2.2	(49)	–	–	–	(49)
<b>At 1 April 2010 - as restated</b>		66,840	60,116	413	–	6,311
Total comprehensive income for the year		1,772	–	–	–	1,772
Dividends	13	(1,803)	–	–	–	(1,803)
<b>At 31 March 2011</b>		<b>66,809</b>	<b>60,116</b>	<b>413</b>	<b>–</b>	<b>6,280</b>



# Statements Of Cash Flows

For The Financial Year Ended 31 March 2011

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
<b>OPERATING ACTIVITIES</b>				
Profit before tax	<b>2,164</b>	2,852	<b>2,031</b>	4,735
Adjustments for:				
Depreciation of property, plant and equipment	<b>3,450</b>	3,430	<b>3,268</b>	3,037
(Gain)/loss on disposal of property, plant and equipment	<b>(32)</b>	96	<b>(30)</b>	(33)
Net reversal of impairment loss on trade and other receivables	<b>(36)</b>	(87)	<b>(249)</b>	(67)
Impairment loss of investment in subsidiary	<b>–</b>	–	<b>–</b>	300
Interest expense	<b>148</b>	132	<b>148</b>	132
Interest income	<b>(198)</b>	(149)	<b>(191)</b>	(143)
Operating profit before working capital changes	<b>5,496</b>	6,274	<b>4,977</b>	7,961
Decrease in inventories	<b>2</b>	347	<b>182</b>	247
Decrease/(increase) in receivables	<b>1,556</b>	(3,191)	<b>(833)</b>	(3,653)
Increase/(decrease) in payables	<b>628</b>	235	<b>2,481</b>	(379)
Cash generated from operations	<b>7,682</b>	3,665	<b>6,807</b>	4,176
Interest paid	<b>(148)</b>	(132)	<b>(148)</b>	(132)
Taxation paid	<b>(1,809)</b>	(1,090)	<b>(1,080)</b>	(766)
Net cash generated from operating activities	<b>5,725</b>	2,443	<b>5,579</b>	3,278
<b>INVESTING ACTIVITIES</b>				
Interest received	<b>198</b>	149	<b>191</b>	143
Purchase of property, plant and equipment	<b>(1,559)</b>	(4,135)	<b>(1,439)</b>	(3,978)
Proceeds from sale of property, plant and equipment	<b>91</b>	33	<b>88</b>	33
Net cash used in investing activities	<b>(1,270)</b>	(3,953)	<b>(1,160)</b>	(3,802)
<b>FINANCING ACTIVITIES</b>				
Dividends paid	<b>(1,803)</b>	(2,029)	<b>(1,803)</b>	(2,029)
Drawdown of hire purchase financing	<b>155</b>	2,664	<b>155</b>	2,664
Repayment of hire purchase financing	<b>(1,637)</b>	(1,559)	<b>(1,637)</b>	(1,559)
Net cash used in financing activities	<b>(3,285)</b>	(924)	<b>(3,285)</b>	(924)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,170</b>	(2,434)	<b>1,134</b>	(1,448)
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	<b>46</b>	(32)	<b>–</b>	–
<b>CASH AND BANK BALANCES AT BEGINNING OF YEAR</b>	<b>13,744</b>	16,210	<b>11,995</b>	13,443
<b>CASH AND BANK BALANCES AT END OF YEAR (NOTE 19)</b>	<b>14,960</b>	13,744	<b>13,129</b>	11,995

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# Notes To The Financial Statements

31 March 2011

## 1. CORPORATE INFORMATION

The principal activities of the Group consist of providing express courier services, trucking services, freight forwarding services, customised logistics services, mailroom management services, retail and warehousing. The principal activities of the Company are those of providing express courier and customised logistics services.

The principal activities of the subsidiaries are described in Note 15. There have been no significant changes in the nature of the principal activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The principal place of business of the Company is located at Lot 6 & 7, Jalan Utas 15/7, Seksyen 15, 40000 Shah Alam, Selangor Darul Ehsan.

The ultimate holding company of the Company is BHR Enterprise Sdn Bhd, a company incorporated in Malaysia.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 27 July 2011.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards ("FRSs") and the Companies Act, 1965 in Malaysia.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

### 2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 April 2010, the Group and the Company adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2010.

- FRS 7 Financial Instruments: Disclosures
- FRS 8 Operating Segments
- FRS 101 Presentation of Financial Statements (Revised)
- FRS 123 Borrowing Costs
- FRS 139 Financial Instruments: Recognition and Measurement
- Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
- Amendments to FRS 2 Share-based Payment – Vesting Conditions and Cancellations
- Amendments to FRS 132 Financial Instruments: Presentation
- Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives
- Improvements to FRS issued in 2009
- IC Interpretation 9 Reassessment of Embedded Derivatives
- IC Interpretation 10 Interim Financial Reporting and Impairment

# Notes To The Financial Statements

31 March 2011

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

### 2.2 Changes in accounting policies (Cont'd.)

- IC Interpretation 11 FRS 2 – Group and Treasury Share Transactions
- IC Interpretation 13 Customer Loyalty Programmes
- IC Interpretation 14 FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

FRS 4 Insurance Contracts and TR i-3 Presentation of Financial Statements of Islamic Financial Institutions are also effective for annual periods beginning on or after 1 January 2010. These FRS are, however, not applicable to the Group or the Company.

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group and the Company except for those discussed below:

#### FRS 7 Financial Instruments: Disclosures

Prior to 1 April 2010, information about financial instruments was disclosed in accordance with the requirements of FRS 132 Financial Instruments: Disclosure and Presentation. FRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The Group and the Company have applied FRS 7 prospectively in accordance with the transitional provisions. Hence, the new disclosures have not been applied to the comparatives. The new disclosures are included throughout the Group's and the Company's financial statements for the year ended 31 March 2011.

#### FRS 8 Operating Segments

FRS 8, which replaces FRS 114 Segment Reporting, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The Standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group has adopted FRS 8 retrospectively. These revised disclosures, including the related revised comparative information, are shown in Note 27.

#### FRS 101 Presentation of Financial Statements (Revised)

The revised FRS 101 introduces changes in the presentation and disclosures of financial statements. The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. The Standard also introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group and the Company have elected to present this statement as one single statement.

In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the classification of items in the financial statements.

The revised FRS 101 also requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital (See Note 30).

The revised FRS 101 was adopted retrospectively by the Group and the Company.

# Notes To The Financial Statements

31 March 2011

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

### 2.2 Changes in accounting policies (Cont'd.)

#### FRS 139 Financial Instruments: Recognition and Measurement

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group and the Company have adopted FRS 139 prospectively on 1 April 2010 in accordance with the transitional provisions. The effects arising from the adoption of this Standard has been accounted for by adjusting the Group's and the Company's opening balance of retained earnings as at 1 April 2010. Comparatives are not restated. The details of the changes in accounting policies and the effects arising from the adoption of FRS 139 are discussed below:

#### Impairment of trade receivables

Prior to 1 April 2010, provision for doubtful debts was recognised when it was considered uncollectible. Upon the adoption of FRS 139, an impairment loss is recognised when there is objective evidence that an impairment loss has been incurred. The amount of the loss is measured as the difference between the receivable's carrying amount and the present value of the estimated future cash flows discounted at the receivable's original effective interest rate. For certain categories of trade receivables, those that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. As at 1 April 2010, the Group and the Company have remeasured the allowance for impairment losses as at that date in accordance with FRS 139 and the difference is recognised as an adjustment to the Group's and the Company's opening balance of retained earnings as at that date.

The effects arising from the adoption of FRS 139 to the Group and the Company as at 1 April 2010 are as follows:

Statement of financial position	RM'000
<b>Group</b>	
Increase in retained profits and trade receivables	29
<b>Company</b>	
Decrease in retained profits and trade receivables	(49)

#### Amendment to FRS 117 : Leases ("FRS 117")

Prior to 1 April 2010, leasehold land were treated as operating leases. The minimum lease payments or the up-front payments made are allocated, whenever necessary, between the land and the buildings elements in proportion to the relative fair values for leasehold interest in the land element and buildings element of the lease at the inception of the lease. The up-front payment represents prepaid lease payments and are amortised on a straight-line basis over the lease term.

Upon adoption of the Amendment to FRS 117, the classification of a leasehold land as a finance lease or an operating lease is based on the extent of risks and rewards of the lease. The Group has determined that all leasehold land of the Group are in substance finance leases and has reclassified its leasehold land from prepaid land lease payments to property, plant and equipment.

## Notes To The Financial Statements

31 March 2011

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

## 2.2 Changes in accounting policies (Cont'd.)

The reclassification has been made retrospectively and the effects on the statements of financial position as at 31 March 2011 are as follows:

	Group and Company 31 March 2011  RM'000
Increase/(decrease) in:	
Property, plant and equipment	14,188
Prepaid land lease payment	(14,188)

	As previously stated RM'000	Adjustments RM'000	As restated RM'000
<b>Group</b>			
<b>31 March 2010</b>			
Property, plant & equipment	18,951	14,415	33,366
Prepaid land lease payment	14,415	(14,415)	–
<b>1 April 2009</b>			
Property, plant & equipment	18,143	14,646	32,789
Prepaid land lease payment	14,646	(14,646)	–
<b>Company</b>			
<b>31 March 2010</b>			
Property, plant & equipment	18,550	14,415	32,965
Prepaid land lease payment	14,415	(14,415)	–
<b>1 April 2009</b>			
Property, plant & equipment	17,378	14,646	32,024
Prepaid land lease payment	14,646	(14,646)	–

## 2.3 Standards issued but not yet effective

At the date of authorisation of these financial statements, the new FRSs and Interpretations, and amendments to certain Standards and Interpretations were issued but not yet effective for the year ended 31 March 2011 and have not been applied by the Group and the Company.

The directors expect that the adoption of the standards and interpretations issued but not yet effective will have no material impact on the financial statements of the Group and of the Company in the period of initial application.



# Notes To The Financial Statements

31 March 2011

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

### 2.4 Subsidiaries and basis of consolidation

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

The consolidated financial statements comprise the financial statements of the Company and all its subsidiaries as at the reporting date. The financial statements of the subsidiaries are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gain or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

Acquisitions of subsidiaries are accounted for using the purchase method. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisitions.

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in profit or loss on the date of acquisition.

### 2.5 Foreign currencies

#### (a) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

#### (b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

## Notes To The Financial Statements

31 March 2011

**2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)****2.5 Foreign currencies (Cont'd.)****(b) Foreign currency transactions (Cont'd.)**

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

**(c) Foreign operations**

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

**2.6 Property, plant and equipment, and depreciation**

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Subsequent to recognition, property, plant and equipment except for freehold land are stated at cost less accumulated depreciation and any accumulated impairment losses.

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.7.

Capital work-in-progress is not depreciated as these assets are not available for use. Depreciation of other property, plant and equipment is provided for on a straight line basis to write off the cost of each asset to its residual value over the estimated useful life at the following annual rates:

Leasehold buildings	4%
Leasehold land	over the lease period
Leasehold improvements	33.33%
Motor vehicles	14.28%
Computers/machines/office equipment	14.28% - 33.33%
Furniture and fittings	14.28%

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in the profit or loss.

# Notes To The Financial Statements

31 March 2011

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

### 2.7 Impairment of non-financial assets

The carrying amounts of the Group's assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs to. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

An impairment loss is recognised in profit or loss in the period in which it arises.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

### 2.8 Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition. Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

## Notes To The Financial Statements

31 March 2011

**2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)****2.8 Financial assets (Cont'd.)**

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

**2.9 Impairment of financial assets**

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

**2.10 Cash and cash equivalents**

For the purposes of the statements of cash flows, cash and cash equivalents include cash on hand and at bank, deposit at call and short term highly liquid investments which have an insignificant risk of changes in value, net of outstanding bank overdraft.

**2.11 Inventories**

Inventories comprise consumables and are stated at lower of cost and net realisable value.

Cost is determined using the first in, first out method. The cost of consumables comprises costs of purchase.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

**2.12 Provisions for liabilities**

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be estimated reliably. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

# Notes To The Financial Statements

31 March 2011

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

### 2.13 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

### 2.14 Employee benefits

#### (a) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

#### (b) Defined contribution plan

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employee Provident Fund ("EPF"). The Group's foreign subsidiary also makes contributions to its country's statutory pension scheme.

### 2.15 Leases

#### Finance leases - the Group as lessee

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses. The corresponding liability is included in the statements of financial position as borrowings. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Company's incremental borrowing rate is used. Any initial direct costs are also added to the carrying amount of such assets.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised as an expense in the profit or loss over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

The depreciation policy for leased assets is consistent with that for depreciable property, plant and equipment as described in Note 2.6.

## Notes To The Financial Statements

31 March 2011

**2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)****2.16 Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

**(a) Revenue from services**

Revenue from services rendered is recognised net of service taxes and discounts as and when the services are performed.

**(b) Interest income**

Interest income is recognised on an accrual basis using the effective interest method.

**2.17 Income taxes**

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the reporting date.

Deferred tax is provided for, using the liability method. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised as income or an expense and included in the profit or loss for the period, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or the amount of any excess of the acquirer's interest is the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination.

**3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES**

The preparation of the Group's and the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

**3.1 Key sources of estimation uncertainty**

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



# Notes To The Financial Statements

31 March 2011

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D.)

### 3.1 Key sources of estimation uncertainty (cont'd.)

#### (a) Impairment of loans and receivables

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. The Group's and Company's accumulated impairment of loans and receivables for the year as at 31 March 2011 was RM2,552,000 (2010: RM3,354,000) and RM2,052,000 (2010: RM2,684,000) respectively, as disclosed in Note 18(a).

#### (b) Income taxes

Significant judgment is required in determining the allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognise liabilities for anticipated tax matters based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which the determination is made. The Group's and Company's tax expense for the year as at 31 March 2011 was RM894,000 (2010: RM1,060,000) and RM259,000 (2010: RM691,000) respectively, as disclosed in Note 11.

#### (c) Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The Group's deferred tax assets as at 31 March 2011 was RM144,000 (2010: RM470,000) respectively as disclosed in Note 16.

#### (d) Depreciation of motor vehicles

The cost of motor vehicles is depreciated on a straight-line basis over the assets' useful lives. Management estimate the useful lives of these motor vehicles to be within 7 to 12 years. These are common life expectancies applied in courier services industry. Changes in the level of usage could impact the economic useful lives and the residual value of these assets, therefore future depreciation charges could be revised.

## Notes To The Financial Statements

31 March 2011

## 4. REVENUE

Revenue of the Group and the Company consists of the following:

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Domestic courier services	90,370	84,645	76,078	72,702
Foreign courier services	2,020	2,875	1,782	1,870
	92,390	87,520	77,860	74,572

## 5. INTEREST INCOME

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Interest income from:				
Fixed deposits	198	149	191	143

## 6. OTHER INCOME

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Rental receivable from subsidiaries	–	–	996	50
Dividend income from subsidiaries	–	–	1,810	3,681
Sundry income	86	27	366	152
	86	27	3,172	3,883

## 7. FINANCE COSTS

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Interest expense on hire purchase and finance lease liabilities	148	132	148	132

# Notes To The Financial Statements

31 March 2011

## 8. PROFIT BEFORE TAX

The following amounts have been included in arriving at profit before tax:

		Group		Company	
	Note	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Employee benefits expense	9	<b>34,977</b>	32,364	<b>28,762</b>	28,203
Non-executive directors' remuneration	10	<b>473</b>	166	<b>389</b>	129
Auditors' remuneration:					
- Holding company's auditors					
- statutory audit		<b>102</b>	97	<b>83</b>	78
- other services		<b>68</b>	—	<b>68</b>	—
- Other auditors of foreign subsidiary		<b>20</b>	14	—	—
Rental of premises		<b>2,525</b>	2,364	<b>1,890</b>	2,004
Rental of equipment and motor vehicles		<b>878</b>	445	<b>686</b>	197
Net reversal of impairment loss on trade and other receivables		<b>(36)</b>	(87)	<b>(249)</b>	(67)
Depreciation of property, plant and equipment	14	<b>3,450</b>	3,430	<b>3,268</b>	3,037
Impairment loss of investment in subsidiary		—	—	—	300
(Gain)/loss on disposal of property, plant and equipment		<b>(32)</b>	96	<b>(30)</b>	(33)
Gain on foreign exchange		<b>(62)</b>	(17)	—	—

## 9. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Wages and salaries	<b>31,270</b>	28,745	<b>25,788</b>	25,054
Social security contributions	<b>522</b>	407	<b>455</b>	365
Contributions to defined contribution plan	<b>2,914</b>	3,047	<b>2,369</b>	2,683
Other staff related expenses	<b>270</b>	165	<b>150</b>	101
	<b>34,977</b>	32,364	<b>28,762</b>	28,203

Included in employee benefits expense of the Group and of the Company is an executive director's remuneration amounting to RMNil (2010: RM318,000) as further disclosed in Note 10.

## Notes To The Financial Statements

31 March 2011

## 9. EMPLOYEE BENEFITS EXPENSE (CONT'D.)

## Employee Share Option Scheme ("ESOS")

The main features of the ESOS Scheme are as follows:

- (a) Total number of options offered under the Scheme shall not exceed in aggregate fifteen per centum (15%) of the total issued and paid-up capital of the Company at any one time at the point of granting of the options during the existence of the scheme; provided that:
  - (i) Not more than fifty per centum (50%) of the new Company's shares available under the ESOS Scheme should be allocated, in aggregate, to Eligible Directors and senior management; and
  - (ii) Not more than ten per centum (10%) of the new Company's shares available under the ESOS Scheme should be allocated to any individual Eligible Director or Eligible Employee who, either individually or collectively through persons connected with him, holds twenty per centum (20%) or more of the issued and paid-up share capital of the Company.
- (b) The ESOS Committee may from time to time decide the conditions of eligibility to be fulfilled by an Eligible Person in order to participate in the ESOS Scheme.
- (c) The criteria to be applied by the ESOS Committee in determining the actual entitlement of a selected employee shall be based on the grade of the selected employee and may include, without limitations, the length of service, contributions, dedication and performance of the selected employee and any other considerations deemed fit by the ESOS Committee. The ESOS Committee's decision shall be final and binding.

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The total number of options available under the ESOS Scheme is 9,016,200 at a subscription price of RM1.35 per share, based on a 10% discount of the five (5) weighted average market price commencing from 19 December 2005 to 23 December 2005. The option period is for five calendar years from 19 December 2005 to 11 September 2010.

**Number of Options over Ordinary Shares of  
RM1.00 Each at Option Price of RM1.35**

At 1 April 2010	8,224,700
Lapsed	(8,224,700)
<b>At 31 March 2011</b>	<b>—</b>

In respect of the ESOS, the Company has been granted an exemption by the Companies Commission of Malaysia from having to disclose the names of the option holders, other than directors, who have been granted options to subscribe for less than 118,000 ordinary shares of RM1 each.

# Notes To The Financial Statements

31 March 2011

## 10. DIRECTORS' REMUNERATION

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Executive director's remuneration:				
Salaries and other emolument	–	284	–	284
Defined contribution plan	–	34	–	34
Estimated money value of benefit-in-kind	–	22	–	22
	–	340	–	340
Non-executive director's remuneration:				
Fees	356	108	292	108
Other emoluments	67	58	47	21
Estimated money value of benefit-in-kind	50	–	50	–
	473	166	389	129
Total directors' remuneration (excluding benefits-in-kind)	423	484	339	447
Estimated money value of benefits-in-kind	50	22	50	22
Total directors' remuneration including benefits-in-kind	473	506	389	469

Included in directors' remuneration of the Group are other emoluments received by directors of subsidiary companies who are not a director of the Company amounting to RM32,000 (2010: RM31,000).

The number of directors of the Company whose total remuneration during the year fell within the following bands is analysed below:

	Number of Directors	
	2011	2010
<b>Executive Director:</b>		
RM300,001 - RM350,000	–	1
<b>Non-Executive Directors:</b>		
Below RM70,000	4	4
Above RM70,000	1	–

## Notes To The Financial Statements

31 March 2011

## 11. INCOME TAX EXPENSE

## Major components of income tax expense

The major components of income tax expense for the years ended 31 March 2011 and 2010 are:

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Current income tax:				
Malaysian income tax	387	986	48	557
Foreign tax	14	44	–	–
	401	1,030	48	557
Under/(over) provision in prior year:				
Malaysian income tax	167	(78)	64	29
	568	952	112	586
Deferred tax (Note 16):				
Relating to origination and reversal of temporary differences	378	179	202	178
Over provision of deferred tax asset in prior year	(52)	(71)	(55)	(72)
	326	108	147	105
Total income tax expenses	894	1,060	259	691

## Reconciliation between tax expense and accounting profit

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 March 2011 and 2010 are as follows:

Group	2011 RM'000	2010 RM'000
Profit before tax	2,164	2,852
Taxation at Malaysian statutory tax rate of 25% (2010: 25%)	541	713
Income not subject to tax	–	(58)
Effect of different tax rates for subsidiary in Singapore	(5)	(9)
Effect of expenses not deductible for tax purposes	213	424
Deferred tax assets not recognised on unutilised tax losses	30	139
Over provision of deferred tax in prior year	(52)	(71)
Under/(over) provision of income tax in prior year	167	(78)
Tax expense for the year	894	1,060



# Notes To The Financial Statements

31 March 2011

## 11. INCOME TAX EXPENSE (CONT'D.)

Company	2011 RM'000	2010 RM'000
Profit before tax	2,031	4,735
Taxation at Malaysian statutory tax rate of 25% (2010: 25%)	508	1,184
Income not subject to tax	(453)	(921)
Effect of expenses not deductible for tax purposes	195	471
Over provision of deferred tax in prior year	(55)	(72)
Under provision of income tax in prior year	64	29
Tax expense for the year	259	691

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2010: 25%) of the estimated assessable profit for the year. The corporate tax rate applicable to the subsidiary in Singapore was 17% (2010:17%).

## 12. EARNINGS PER SHARE

### Basic and diluted

Basic and diluted earnings per share is calculated by dividing the profit net of tax attributable to shareholders of the Company by the weighted average number of ordinary shares in outstanding during the financial year.

	2011	2010
Profit net of tax attributable to shareholders (RM'000)	1,270	1,792
Weighted average number of ordinary shares in issue ('000)	60,116	60,116
Basic earnings per share (sen)	2.1	3.0
Diluted earning per share (sen)	2.1	3.0

There was no dilution of earnings per share for the financial year since the effect of the conversion of the ESOS is anti-dilutive.

## 13. DIVIDENDS

	Amount		Net Dividends per Ordinary Shares	
	2011	2010	2011	2010
	RM'000	RM'000	Sen	Sen
In respect of the financial year ended 31 March 2010:				
– Final dividend of 4.0% less 25% taxation paid on 25 October 2010	1,803	–	3.0	–
In respect of the financial year ended 31 March 2009:				
– Final dividend of 4.5% less 25% taxation paid on 26 October 2009	–	2,029	–	3.4
	1,803	2,029	3.0	3.4

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 March 2011, of 3.5% less 25% (2010: 4.0% less 25% tax) taxation on 60,116,200 ordinary shares, amounting to a dividend payable of RM1,578,050 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 March 2012.

## Notes To The Financial Statements

31 March 2011

## 14. PROPERTY, PLANT AND EQUIPMENT

	Capital work-in- progress RM'000	Leasehold buildings RM'000	Leasehold land RM'000	Leasehold improvements RM'000	Motor vehicles RM'000	Computers/ Machines/ Office equipment RM'000	Furniture and fittings RM'000	Total RM'000
<b>Group</b>								
<b>Cost</b>								
At 1 April 2009								
– as restated	2,362	11,572	16,824	3,626	13,562	17,127	2,165	67,238
Additions	2,674	–	–	228	–	1,134	99	4,135
Disposals	(128)	–	–	–	(460)	–	–	(588)
Transfers	(2,873)	–	–	152	2,706	15	–	–
At 31 March 2010 and 1 April 2010	2,035	11,572	16,824	4,006	15,808	18,276	2,264	70,785
Additions	14	–	–	192	177	1,089	87	1,559
Disposals	–	–	–	(79)	(91)	–	–	(170)
<b>At 31 March 2011</b>	<b>2,049</b>	<b>11,572</b>	<b>16,824</b>	<b>4,119</b>	<b>15,894</b>	<b>19,365</b>	<b>2,351</b>	<b>72,174</b>
<b>Group</b>								
<b>Accumulated Depreciation</b>								
At 1 April 2009								
– as restated	–	2,504	2,178	3,022	10,874	14,198	1,673	34,449
Charge for the year	–	522	231	513	375	1,673	116	3,430
Disposals	–	–	–	–	(460)	–	–	(460)
At 31 March 2010 and 1 April 2010	–	3,026	2,409	3,535	10,789	15,871	1,789	37,419
Charge for the year	–	519	227	283	831	1,478	113	3,450
Disposals	–	–	–	(77)	(34)	–	–	(111)
<b>At 31 March 2011</b>	<b>–</b>	<b>3,545</b>	<b>2,636</b>	<b>3,741</b>	<b>11,586</b>	<b>17,349</b>	<b>1,902</b>	<b>40,758</b>
<b>Net Carrying Amount</b>								
At 31 March 2010	2,035	8,546	14,415	471	5,019	2,405	475	33,366
<b>At 31 March 2011</b>	<b>2,049</b>	<b>8,027</b>	<b>14,188</b>	<b>378</b>	<b>4,308</b>	<b>2,016</b>	<b>449</b>	<b>31,416</b>

# Notes To The Financial Statements

31 March 2011

## 14. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

	Capital work-in- progress RM'000	Leasehold buildings RM'000	Leasehold land RM'000	Leasehold improvements RM'000	Motor vehicles RM'000	Computers/ Machines/ Office equipment RM'000	Furniture and fittings RM'000	Total RM'000
<b>Company</b>								
<b>Cost</b>								
At 1 April 2009								
– as restated	2,044	11,572	16,824	3,350	13,164	16,176	2,025	65,155
Additions	2,674	–	–	164	–	1,044	96	3,978
Disposals	–	–	–	–	(460)	–	–	(460)
Transfers	(2,706)	–	–	–	2,706	–	–	–
At 31 March 2010 and 1 April 2010	2,012	11,572	16,824	3,514	15,410	17,220	2,121	68,673
Additions	14	–	–	184	177	977	87	1,439
Disposals	–	–	–	–	(91)	–	–	(91)
<b>At 31 March 2011</b>	<b>2,026</b>	<b>11,572</b>	<b>16,324</b>	<b>3,698</b>	<b>15,496</b>	<b>18,197</b>	<b>2,208</b>	<b>70,021</b>
<b>Company</b>								
<b>Accumulated Depreciation</b>								
At 1 April 2009								
– as restated	–	2,505	2,178	2,843	10,457	13,578	1,570	33,131
Charge for the year	–	521	231	289	369	1,518	109	3,037
Disposals	–	–	–	–	(460)	–	–	(460)
At 31 March 2010 and 1 April 2010		3,026	2,409	3,132	10,366	15,096	1,679	35,708
Charge for the year	–	519	227	227	825	1,364	106	3,268
Disposals	–	–	–	–	(34)	–	–	(34)
<b>At 31 March 2011</b>	<b>–</b>	<b>3,545</b>	<b>2,636</b>	<b>3,359</b>	<b>11,157</b>	<b>16,460</b>	<b>1,785</b>	<b>38,942</b>
<b>Net Carrying Amount</b>								
At 31 March 2010	2,012	8,546	14,415	382	5,044	2,124	442	32,965
<b>At 31 March 2011</b>	<b>2,026</b>	<b>8,027</b>	<b>14,188</b>	<b>339</b>	<b>4,339</b>	<b>1,737</b>	<b>423</b>	<b>31,079</b>

## Notes To The Financial Statements

31 March 2011

**14. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)**

During the financial year, the Group and Company acquired property, plant and equipment at aggregate costs of RM155,000 (2010: RM2,674,000) by means of hire purchase and finance lease arrangement. Net carrying amounts of motor vehicles under hire purchase and finance lease arrangements are as follows:

	<b>Group and Company</b>	
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Motor vehicles	<b>3,461</b>	3,531

**15. INVESTMENTS IN SUBSIDIARIES**

	<b>Company</b>	
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Unquoted shares, at cost	<b>1,112</b>	1,112
Less: Accumulated impairment losses	<b>(500)</b>	(500)
	<b>612</b>	612

Details of the subsidiaries are as follows:

<b>Name of Company</b>	<b>Country of Incorporation</b>	<b>Effective Interest (%)</b>		<b>Principal Activities</b>
		<b>2011</b>	<b>2010</b>	
Nationwide Express Freight Forwarders Sdn. Bhd.	Malaysia	<b>100</b>	100	Trucking, freight forwarding and warehousing services
Nationwide Express Metro Sdn. Bhd.	Malaysia	<b>100</b>	100	Customised logistics and mailroom management services
Nationwide Express Courier Pte. Ltd.*	Singapore	<b>100</b>	100	Express courier and customised logistics services
Nationwide Express Distribution Sdn. Bhd.	Malaysia	<b>100</b>	100	Dormant
Nationwide Express Logistics Sdn. Bhd.	Malaysia	<b>100</b>	100	Freight forwarding and warehousing services
Nationwide Express Retail Sdn. Bhd.	Malaysia	<b>100</b>	100	Retail

\* Audited by a firm of auditors other than Hanafiah Raslan & Mohamad

# Notes To The Financial Statements

31 March 2011

## 16. DEFERRED TAX

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
At 1 April	(470)	(578)	(17)	(122)
Recognised in the profit or loss	326	108	147	105
At 31 March	(144)	(470)	130	(17)

Presented after appropriate offsetting as follows:

Deferred tax assets	(274)	(470)	–	(17)
Deferred tax liabilities	130	–	130	–
	(144)	(470)	130	(17)

The components and movements of deferred tax liability and assets during the financial year prior to offsetting are as follows:

### Deferred Tax Liability of the Group:

	Accelerated Capital Allowance RM'000
At 1 April 2010	995
Recognised in the profit or loss	162
<b>At 31 March 2011</b>	<b>1,157</b>
At 1 April 2009	996
Recognised in the profit or loss	(1)
At 31 March 2010	995

### Deferred Tax Assets of the Group:

	Allowance for Impairment on Trade Receivables RM'000	Tax Losses RM'000	Provisions for Liabilities RM'000	Total RM'000
At 1 April 2010	(982)	(262)	(221)	(1,465)
Recognised in the profit or loss	147	151	(134)	164
<b>At 31 March 2011</b>	<b>(835)</b>	<b>(111)</b>	<b>(355)</b>	<b>(1,301)</b>
At 1 April 2009	(1,034)	(280)	(260)	(1,574)
Recognised in the profit or loss	52	18	39	109
At 31 March 2010	(982)	(262)	(221)	(1,465)

## Notes To The Financial Statements

31 March 2011

## 16. DEFERRED TAX (CONT'D.)

## Deferred Tax Liability of the Company:

	Accelerated Capital Allowance RM'000
At 1 April 2010	982
Recognised in the profit or loss	149
<b>At 31 March 2011</b>	<b>1,131</b>
At 1 April 2009	971
Recognised in the profit or loss	11
At 31 March 2010	982

## Deferred Tax Assets of the Group:

	Allowance for Impairment on Trade Receivables RM'000	Provisions for Liabilities RM'000	Total RM'000
At 1 April 2010	(798)	(201)	(999)
Recognised in the profit or loss	134	(136)	(2)
<b>At 31 March 2011</b>	<b>(664)</b>	<b>(337)</b>	<b>(1,001)</b>
At 1 April 2009	(853)	(240)	(1,093)
Recognised in the profit or loss	55	39	94
At 31 March 2010	(798)	(201)	(999)

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2011 RM'000	2010 RM'000
Unused tax losses	532	532

The availability of the unused tax losses and unabsorbed capital allowances for offsetting against future taxable profits of the respective subsidiaries are subject to no substantial changes in shareholdings of those subsidiaries and the Company under Section 44(5A) and (5B) of Income Tax Act, 1967.

# Notes To The Financial Statements

31 March 2011

## 17. INVENTORIES

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
<b>Cost</b>				
Spare parts	10	101	10	101
Finished goods	–	17	–	–
Consumables	520	414	259	350
	<b>530</b>	<b>532</b>	<b>269</b>	<b>451</b>

## 18. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
<b>Trade receivables</b>				
Third parties	25,256	27,870	21,122	24,871
less: Allowance for impairment	(2,552)	(3,354)	(2,052)	(2,684)
Trade receivables, net	<b>22,704</b>	<b>24,516</b>	<b>19,070</b>	<b>22,187</b>
<b>Other receivables</b>				
Amount due from related parties:				
Subsidiaries	–	–	6,385	2,988
Related companies	340	233	271	164
Tax recoverable	2,387	1,144	1,425	457
Deposits	1,800	1,756	1,620	1,554
Prepayment	2,598	2,156	2,464	1,959
Sundry receivables	1,217	1,327	1,056	981
	<b>8,342</b>	<b>6,616</b>	<b>13,221</b>	<b>8,103</b>
less: Allowance for impairment	(762)	(599)	(519)	(519)
Other receivables, net	<b>7,580</b>	<b>6,017</b>	<b>12,702</b>	<b>7,584</b>
	<b>30,284</b>	<b>30,533</b>	<b>31,772</b>	<b>29,771</b>



## Notes To The Financial Statements

31 March 2011

## 18. TRADE AND OTHER RECEIVABLES (CONT'D.)

## (a) Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2010: 30 to 90 days) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

**Ageing analysis of trade receivables**

The ageing analysis of the Group's trade receivables is as follows:

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Neither past due nor impaired	19,662	19,605	16,493	18,338
Past due but not impaired:				
1 to 30 days	208	1,410	150	1,028
31 to 90 days	972	1,232	899	933
91 to 120 days	797	1,556	733	1,258
More than 121 days	1,065	713	795	630
	3,042	4,911	2,577	3,849
Impaired	2,552	3,354	2,052	2,684
	25,256	27,870	21,122	24,871

**Receivables that are neither past due nor impaired**

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group and the Company.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

**Receivables that are past due but not impaired**

The Group and the Company have trade receivables amounting to RM3,042,000 (2010: RM4,911,000) and RM2,577,000 (2010: RM3,849,000) respectively that are past due at the reporting date but not impaired.

No allowance for impairment is made as in the opinion of the directors, the outstanding debts are expected to be collected in full within the next twelve months.

# Notes To The Financial Statements

31 March 2011

## 18. TRADE AND OTHER RECEIVABLES (CONT'D.)

### (a) Trade receivables (Cont'd.)

#### Movement in allowance accounts:

#### Group

	Individually Impaired RM'000	Collectively Impaired RM'000	2011 RM'000	2010 RM'000
At 1 April	1,051	2,304	<b>3,354</b>	3,441
Effect of adopting FRS 139	(29)	–	<b>(29)</b>	–
Charge for the year	474	–	<b>474</b>	405
Reversal of impairment losses	–	(672)	<b>(672)</b>	(492)
Written off	(575)	–	<b>(575)</b>	–
At 31 March	921	1,632	<b>2,552</b>	3,354

#### Company

	Individually Impaired RM'000	Collectively Impaired RM'000	2011 RM'000	2010 RM'000
At 1 April	380	2,304	<b>2,684</b>	2,751
Effect of adopting FRS 139	49	–	<b>49</b>	–
Charge for the year	423	–	<b>423</b>	387
Reversal of impairment losses	–	(672)	<b>(672)</b>	(454)
Written off	(432)	–	<b>(432)</b>	–
At 31 March	420	1,632	<b>2,052</b>	2,684

### (b) Credit risk

Other information on financial risk of trade receivables are disclosed in Note 28.

### (c) Amount due from related companies

Amount due from related companies are non-interest bearing and repayable on demand. All related companies receivable are unsecured and to be settled in cash.

Further details on related party transactions are disclosed in Note 24.

## Notes To The Financial Statements

31 March 2011

## 18. TRADE AND OTHER RECEIVABLES (CONT'D.)

## (d) Other receivables

## Movement in allowance accounts:

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
At 1 April	599	777	519	640
Charge for the year	163	–	–	–
Written off	–	(178)	–	(121)
At 31 March	762	599	519	519

## 19. CASH AND BANK BALANCES

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Cash on hand and at banks	9,166	8,102	7,594	6,606
Deposits with licensed banks	5,794	5,642	5,534	5,389
Cash and bank balances	14,960	13,744	13,129	11,995

Deposits of the Group amounting to RM570,000 (2010: RM570,000) are pledged to licensed banks for credit facilities granted to a subsidiary.

The weighted average effective interest rate per annum of deposits at the reporting date are as follows:

	Group		Company	
	2011	2010	2011	2010
	% p.a.	% p.a.	% p.a.	% p.a.
Licensed banks	2.79	2.33	2.81	2.33

The average remaining maturity of deposits as at the end of the financial year are as follows:

	Group		Company	
	2011	2010	2011	2010
	Days	Days	Days	Days
Licensed banks	31	31	18	16

# Notes To The Financial Statements

31 March 2011

## 20. SHARE CAPITAL

	Group and Company			
	Number of Ordinary Shares of RM1 Each		Amount	
	2011 '000	2010 '000	2011 RM'000	2010 RM'000
<b>Authorised:</b>				
At 1 April/31 March	100,000	100,000	100,000	100,000
<b>Issued and Fully Paid-Up:</b>				
At 1 April/31 March	60,116	60,116	60,116	60,116

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

## 21. RESERVES

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Exchange translation reserve				
- non-distributable	(285)	(331)	-	-
Retained profits				
- distributable	7,388	7,892	6,280	6,360
	7,103	7,561	6,280	6,360

In the past, Malaysian companies adopt the full imputation system. In accordance with the Finance Act 2007 which was gazetted on 28 December 2007, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders, and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the Section 108 of the Income Tax Act 1967 ("Section 108") balance and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the Section 108 balance to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007.

The Company did not elect for the irrevocable option to disregard the Section 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the Section 108 balance as at 31 December 2007 to distribute cash dividend payments to ordinary shareholdings as defined under the Finance Act 2007. As at 31 March 2011, the Company has sufficient credit in the Section 108 balance and the exempt income account to pay franked dividends out of its entire retained profits.

## Notes To The Financial Statements

31 March 2011

## 22. HIRE PURCHASE LIABILITIES

	Group and Company	
	2011	2010
	RM'000	RM'000
<b>Future minimum lease payments:</b>		
Not later than 1 year	1,605	1,756
Later than 1 year and not later than 2 years	270	1,578
Later than 2 years and not later than 5 years	–	154
	<b>1,875</b>	3,488
Less: Future finance charges	(157)	(288)
Present value of finance lease liabilities	<b>1,718</b>	3,200
<b>Present value of finance lease liabilities:</b>		
Not later than 1 year	1,500	1,611
Later than 1 year and not later than 2 years	218	1,448
Later than 2 years and not later than 5 years	–	141
	<b>1,718</b>	3,200
<b>Analysed as:</b>		
Due within 12 months	1,500	1,611
Due after 12 months	218	1,589
	<b>1,718</b>	3,200

The hire purchase liabilities bear interest of 3.00% (2010: 3.00%) per annum.

## 23. OTHER PAYABLES

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Amount due to subsidiaries	–	–	1,177	1,346
Sundry payables	1,826	2,061	1,541	352
Accruals	6,158	5,294	5,486	4,024
	<b>7,984</b>	7,355	<b>8,204</b>	5,722

Other payables are non-interest bearing and the normal trade credit terms granted to the Group range from 1 month to 3 months (2010: 1 month to 3 months).

Amount due to subsidiaries are unsecured, non-interest bearing and repayable on demand.

# Notes To The Financial Statements

31 March 2011

## 24. RELATED PARTY TRANSACTIONS

### (a) Sale and purchase of goods and services

In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Freight forwarding charges payable to subsidiary:				
- Nationwide Express Freight Forwarders Sdn. Bhd.	-	-	(8,004)	(9,986)
Mailroom charges payable to a subsidiary:				
- Nationwide Express Metro Sdn. Bhd.	-	-	(55)	(55)
Delivery and courier charges receivable from a subsidiaries:				
- Nationwide Express Metro Sdn. Bhd.	-	-	256	133
- Nationwide Express Retail Sdn. Bhd.	-	-	72	-
Delivery and courier charges payable to subsidiaries:				
- Nationwide Express Courier Pte. Ltd.	-	-	(1,600)	(1,971)
- Nationwide Express Retail Sdn. Bhd.	-	-	(2,409)	-
Delivery and courier charges receivable from a related party:				
- Percetakan Keselamatan Nasional Sdn. Bhd. *	368	386	134	131
Rental expense payable to a related party:	(79)	(79)	(79)	(79)
- Kumpulan Fima Berhad *				
Printing charges payable to a related party:				
- Percetakan Keselamatan Nasional Sdn. Bhd.*	(13)	-	(13)	-
Rental fees payable to subsidiaries:				
- Nationwide Express Freight Forwarders Sdn. Bhd.	-	-	(172)	(173)
Rental fees receivable from subsidiaries				
- Nationwide Express Freight Forwarders Sdn. Bhd.	-	-	939	35
- Nationwide Express Metro Sdn. Bhd.	-	-	57	15
Rental fees receivable from related company:				
- Retro Sparkle Sdn. Bhd.**	63	63	63	63
Advances receivable from related company:				
- Retro Sparkle Sdn. Bhd.**	43	47	43	47

\* Kumpulan Fima Berhad and Percetakan Keselamatan Nasional are related parties to the Company by virtue of a common substantial shareholder, BHR Enterprise Sdn Bhd.

\*\* Retro Sparkle Sdn. Bhd. is a related party to the Company by virtue of common director and substantial financial interest by the director in the related company.

## Notes To The Financial Statements

31 March 2011

## 24. RELATED PARTY TRANSACTIONS (CONT'D.)

## (a) Sale and purchase of goods and services (Cont'd.)

- (i) The rendering of services to subsidiaries and related companies were made according to the published prices and conditions offered to the major customers of the Group and the Company, except that a longer credit period is normally granted.
- (ii) The purchase of services from subsidiaries and related companies were made according to the published prices and conditions offered by these related parties to their major customers, except that a longer credit period is normally granted.
- (iii) The distribution charges were based on the direct costs incurred, plus margin ranging from 5% to 15%, depending on the nature and location of the services performed. The charges are substantially in line with those offered by the fellow subsidiaries to its major customers.

Information regarding outstanding balances arising from related party transactions as at 31 March 2011 are disclosed in Note 18 and Note 23.

## (b) Compensation of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities, directly or indirectly, including any director (whether executive or otherwise).

The key management personnel compensation is as follows:

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Short-term employee benefits	1,066	1,412	934	1,239
Post-employment benefits:				
Defined contribution plan	125	162	109	146
Other benefits	–	22	–	22
	1,191	1,596	1,043	1,407

Included in the total key management personnel above are:

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Director's remuneration	–	318	–	318

## 25. CAPITAL COMMITMENTS

	Group and Company	
	2011	2010
	RM'000	RM'000
Property, plant and equipment:		
Approved and contracted for	508	271
Approved but not contracted for	10,525	276
	11,033	547



# Notes To The Financial Statements

31 March 2011

## 26. CONTINGENT LIABILITIES

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Claims from third parties	50	67	50	67

The Directors are of the opinion that based on the merit of the cases and supported by legal advice, no provision for the consequential loss is required to be made in the financial statements.

## 27. SEGMENTAL REPORTING

For management purposes, the Group is organised into the following business segments:

- Express courier services ("Courier");
- Freight forwarding and warehousing services ("Freight"); and
- Retail and others.

Management monitors the operating results of its business separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects as explained below, is measured differently from the operating profit or loss in the consolidated financial statements. Group financing (including finance costs), income taxes and segmental reporting on assets and liabilities are managed on a group basis and not allocated to operating segments.

2011	Courier RM'000	Freight RM'000	Retail and others RM'000	Elimina- tions RM'000	As per consoli- dated financial statements RM'000
Revenue	83,431	14,164	11,391	(16,596)	92,390
Segment profit/(loss) net of tax	1,722	612	800	(1,810)	1,324

2010	Courier RM'000	Freight RM'000	Retail and others RM'000	Elimina- tions RM'000	As per consoli- dated financial statements RM'000
Revenue	77,404	15,605	7,851	(13,340)	87,520
Segment profit/(loss) net of tax	4,665	(36)	547	(3,384)	1,792

## Notes To The Financial Statements

31 March 2011

**27. SEGMENTAL REPORTING (CONT'D.)****Geographical information**

The activities of the Group during the current and previous financial years substantially relate to the providing express courier services, trucking services, freight forwarding services, customised logistics services, mailroom management services, retail and warehousing and were predominantly conducted in Malaysia.

Consequently, revenue and non-current assets information based on the geographical location of customers and assets is predominantly in respect of Malaysia.

**28. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES**

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate foreign currency, liquidity funding and credit risks. The Board reviews and agrees policies for managing each of these risks and they are summarised below. It is, and has been throughout the year under review, the Group's policy that no trading in derivative financial instruments shall be undertaken.

**(a) Interest Rate Risk**

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing financial assets, the Group's income and operating cash flows and substantially independent of changes in market interest rates. The Group's interest-bearing financial assets are mainly short term in nature and have been mostly placed in fixed deposits.

**(b) Foreign currency risk**

The Group mainly operates locally. However, a proportion of the Group's purchases and sales are made in Singapore Dollars. Foreign exchange denominated liabilities and assets together with expected cash flows from highly probable purchases and sales give rise to foreign exchange exposure. The Group keeps this exposure at an acceptable level.

**(c) Liquidity/Funding risk**

The Group defines liquidity/funding risk as the risk that funds will not be available to meet liabilities as they fall due.

The Group manages its operating cash flows and the availability of funding to ensure that all funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible instruments to meet its working capital requirements. To ensure availability of funds, the Group closely monitors its cash flow position on a regular basis.

**Analysis of financial instruments by remaining contractual maturities**

The table below summarises the maturity profile of the the Group's and of the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within one year RM	One to five years RM	Total RM
<b>Group</b>			
<b>Financial liabilities:</b>			
Other payables	7,984	–	7,984
Hire purchase	1,605	270	1,875
Total undiscounted financial liabilities	9,589	270	9,859

# Notes To The Financial Statements

31 March 2011

## 28. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (CONT'D.)

### (c) Liquidity/Funding risk (Cont'd.)

#### Analysis of financial instruments by remaining contractual maturities (Cont'd.)

	On demand or within one year RM	One to five years RM	Total RM
<b>Company</b>			
<b>Financial liabilities:</b>			
Other payables	8,204	–	8,204
Amount due to subsidiaries	1,177	–	1,177
Hire purchase	1,605	270	1,875
Total undiscounted financial liabilities	10,986	270	11,256

### (d) Credit risk

The Group's credit risk is primarily attributable to trade receivables. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. For transactions that are not denominated in Ringgit Malaysia, the Group does not offer credit terms without the specific approval of the Head of Credit Control. Since the Group trades only with recognised and creditworthy third parties, there is no requirement of collateral.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets.

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration on credit risk related to any financial assets.

#### Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 18(a). Deposits with banks and other financial institutions, that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

#### Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 18(a).

## Notes To The Financial Statements

31 March 2011

## 29. FINANCIAL INSTRUMENTS

- (a) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation on fair value

	Group and Company 2011		Group and Company 2010	
	Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
<b>Financial liabilities:</b>				
Hire purchase liabilities (non-current)	218	210	1,589	1,528

The fair values of hire purchase liabilities are estimated by discounting expected future cash flows at market incremental lending rate for similar types of leasing arrangements at the reporting date.

- (b) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
(i) Trade and other receivables (current)	18
(ii) Other payables (current)	23

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

The carrying amount of the current portion of hire purchase liabilities is a reasonable approximation of fair value due to the insignificant impact of discounting.

- (c) Classes of financial assets and financial liabilities

The financial instruments of the Group and of the Company as at end of the financial year are categorised into the following classes:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
<b>Loans and receivables</b>				
Trade and other receivables (Note 18)	30,284	30,533	31,772	29,771
Less: Prepayments (Note 18)	(2,598)	(2,156)	(2,464)	(1,959)
Tax recoverable (Note 18)	(2,387)	(1,144)	(1,425)	(457)
	25,299	27,233	27,883	27,355
Add: Cash and bank balances (Note 19)	14,960	13,744	13,129	11,995
Total loans and receivables	40,259	40,977	41,012	39,350

# Notes To The Financial Statements

31 March 2011

## 29. FINANCIAL INSTRUMENTS (CONT'D.)

(c) Classes of financial assets and financial liabilities (Cont'd.)

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
<b>Financial liabilities measured at amortised cost</b>				
Other payables (Note 23)	<b>7,984</b>	7,355	<b>8,204</b>	5,722
Hire purchase (Note 22)	<b>1,718</b>	3,200	<b>1,718</b>	3,200
Total financial liabilities measured at amortised cost	<b>7,984</b>	7,355	<b>8,204</b>	8,922

## 30. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains an optimal capital structure in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders. The Group's approach in managing capital based on defined guidelines that are approved by the Board.

There were no changes in the Group's approach to capital management during the year.

## Notes To The Financial Statements

31 March 2011

## SUPPLEMENTARY INFORMATION

The following analysis of realised and unrealised retained earnings of the Group and the Company is prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits and Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad ("Bursa Malaysia") Listing Requirements as issued by the Malaysian Institute of Accountants and presented in accordance with the directive issued by Bursa Malaysia.

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Total retained profits of the Company and its subsidiaries				
Realised	<b>6,972</b>	7,150	<b>6,410</b>	6,343
Unrealised	<b>144</b>	470	<b>(130)</b>	17
	<b>7,116</b>	7,620	<b>6,280</b>	6,360
Add : Consolidation adjustments	<b>272</b>	272	<b>–</b>	–
Retained profits as per financial statements	<b>7,388</b>	7,892	<b>6,280</b>	6,360

The disclosure of realised and unrealised retained profits above is solely for compliance with the directive issued by the Bursa Malaysia and should not be used for any other purpose.

# Analysis of Shareholders

## LIST OF THIRTY (30) LARGEST SHAREHOLDERS

As at 5<sup>th</sup> August 2011

NO	NAMES	CO. NO. / IC NO.	SHAREHOLDINGS	%
1	BHR ENTERPRISE SDN BHD	64889A	32,930,679	54.78
2	NALURI HARUMAN SDN BHD	408030P	7,800,000	12.97
3	MOHD NOOR BIN ISMAIL	350509-01-5281 3887905	3,157,256	5.25
4	KULIM (MALAYSIA) BERHAD	023370V	2,000,000	3.33
5	ZALARAZ SDN BHD	117907W	1,666,900	2.77
6	VINTAGE FORTE SDN BHD	512037X	561,800	0.93
7	HDM NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR MOHD FAUZY BIN ABDULLAH (M09)</i>	41117T	283,756	0.47
8	LIEW HAN HUEI	591203-05-5085 5769166	256,600	0.43
9	A.A. ANTHONY NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR KOO TAI PING @ KOH KIAN TEE</i>	178034D	243,100	0.40
10	TANG NG TEE @ TAN CHENG YEW	431022-10-5669 2650517	240,100	0.40
11	KOO TAI PING @ KOH KIAN TEE	440810-01-5423 3768231	167,200	0.28
12	LIFE ENTERPRISE SDN BHD	173834U	157,100	0.26
13	TEOH SENG BEE	500103-02-5034 3929217	156,100	0.26
14	GAN AH TUA	450207-01-5276 7652950	156,000	0.26
15	GAN ENG CHEE	430515-10-5603 4131519	146,000	0.24
16	LOH YEE MIN	450720-71-5097 7871132	119,700	0.20
17	LEONG KAM LENG	580508-08-5038 5409753	116,950	0.19
18	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR ROSMAN BIN HAJI OMAR (472322)</i>	267011M	116,100	0.19
19	TAN NG TEE @ TAN CHENG YEW	431022-10-5669 2650517	110,250	0.18
20	YEW CHIANG CORORATION SDN BHD	680179	102,000	0.17
21	LAI KUI YIN	410401-10-5092 3852126	98,600	0.16
22	CHAI PUI YIN @ CHUA PUI ENG	541116-12-5190 H0027148	94,500	0.16
23	LEONG FOOK @ LEONG KIM SAN	391222-08-5769 0615012	82,700	0.14
24	SHOPTRA JAYA (M) SDN BHD	212608H	81,000	0.13
25	LIAU CHOON HWA & SONS SDN BHD	30761P	79,100	0.13
26	TOH KAM CHOY	2132334	78,400	0.13
27	NG PIAK MONG	50393633C	77,000	0.13
28	M & A SECURITIES SDN BHD IVT (B)	15017H	75,400	0.13
29	LUM SIEW KHEONG	520101-10-5661	74,800	0.12
30	PM NOMINEES (TEMPATAN) SDN BHD MALPAC MANAGEMENT SDN BHD FOR JEGADEVAN A/L M NADCHATIRAM	393510U	72,900	0.12
			51,301,991	85.34



## Analysis of Shareholdings

**LIST OF SUBSTANTIAL SHAREHOLDERS (5% AND ABOVE)**As at 5<sup>th</sup> August 2011

NO.	NAMES	SHAREHOLDINGS	%
1	BHR ENTERPRISE SDN BHD	32,930,679	54.78
2	NALURI HARUMAN SDN BHD	7,800,000	12.97
3	MOHD NOOR BIN ISMAIL	3,157,256	5.25

**LIST OF DIRECTORS' SHAREHOLDINGS**As at 5<sup>th</sup> August 2011

Directors' Name	DIRECT INTEREST		DEEMED INTEREST	
	No. of Shares	%	No. of Shares	%
Rozilawati binti Haji Basir	0	0	32,930,679	54.78
Dato' Adnan bin Shamsuddin	0	0	0	0
Tan Sri Dato' Sulaiman bin Sujak	56,000	0.9	0	0
Dr. Roshayati binti Basir	0	0	32,930,679	54.78
Yong Kok Liew	0	0	0	0

**ANALYSIS OF SHAREHOLDINGS**As at 5<sup>th</sup> August 2011

Category	No. of shareholders	%	No. of Shares	%
1 – 99	128	8.23	4,371	0.01
100 – 1,000	167	10.74	101,792	0.17
1,001 – 10,000	1,007	64.76	3,664,056	6.09
10,001 – 100,000	233	14.98	5,858,390	9.75
100,001 to less than 5% of issued shares	17	1.09	6,599,656	10.98
5% and above of issued shares	3	0.19	43,887,935	73.01
<b>Total</b>	<b>1,555</b>	<b>100.00</b>	<b>60,116,200</b>	<b>100.00</b>

# Analysis of Shareholdings

## ANALYSIS OF EQUITY STRUCTURE

As at 5<sup>th</sup> August 2011

TYPE OF OWNERSHIP	SHAREHOLDERS	%	SHAREHOLDINGS	%
<b>MALAYSIAN</b>				
1) Government Agencies	0	0.00	0	0.00
2) BUMIPUTRA:				
a) Individuals	84	5.40	3,503,978	5.83
b) Companies	13	0.84	45,082,589	74.99
c) Nominees Companies	77	4.95	548,680	0.91
<b>TOTAL BUMIPUTRA SHAREHOLDINGS</b>	<b>174</b>	<b>11.19</b>	<b>49,135,247</b>	<b>81.73</b>
3) NON-BUMIPUTRA:				
a) Individuals	1,271	81.74	8,883,589	14.78
b) Companies	29	1.86	651,377	1.08
c) Nominees Companies	62	3.99	1,215,027	2.02
<b>TOTAL BUMIPUTRA SHAREHOLDINGS</b>	<b>1362</b>	<b>87.59</b>	<b>10,749,993</b>	<b>—</b>
<b>MALAYSIAN TOTAL</b>	<b>1,536</b>	<b>98.78</b>	<b>59,885,240</b>	<b>99.62</b>
<b>FOREIGN</b>				
4) FOREIGN:				
a) Individuals	14	0.90	195,560	0.33
b) Companies	0	0.00	0	0.00
c) Nominees Companies	5	0.32	35,400	0.06
<b>FOREIGN TOTAL</b>	<b>19</b>	<b>1.22</b>	<b>230,960</b>	<b>0.39</b>
<b>GRAND TOTAL</b>	<b>1,555</b>	<b>100.00</b>	<b>60,116,200</b>	<b>100.00</b>

## DISTRIBUTION TABLE ACCORDING TO CATEGORY OF HOLDERS

As at 5<sup>th</sup> August 2011

CATEGORY OF SHAREHOLDERS	NO. OF HOLDERS			NO. OF SECURITIES			PERCENTAGE (%)		
	MALAYSIAN			MALAYSIAN			MALAYSIAN		
	BUMI	NON-BUMI	FOREIGN	BUMI	NON-BUMI	FOREIGN	BUMI	NON-BUMI	FOREIGN
1. Individuals	84	1,271	14	3,503,978	8,883,589	195,560	5.83	14.78	0.33
2. Body Corporate									
a. Banks / Finance Companies	1	2	0	3,000	80,400	0	0.00	0.13	0.00
b. Investment Trusts / Foundation / Charities	0	0	0	0	0	0	0.00	0.00	0.00
c. Other types of companies	12	27	0	45,079,589	570,977	0	74.99	0.95	0.00
3. Government Agencies / Institutions	0	0	0	0	0	0	0.00	0.00	0.00
4. Nominees	77	62	5	548,680	1,215,027	35,400	0.91	2.02	0.06
5. Others	0	0	0	0	0	0	0.00	0.00	0.00
<b>TOTAL</b>	<b>174</b>	<b>1,362</b>	<b>19</b>	<b>49,135,247</b>	<b>10,749,993</b>	<b>230,960</b>	<b>81.73</b>	<b>17.88</b>	<b>0.39</b>
<b>TOTAL GRAND</b>		<b>1,555</b>			<b>60,116,200</b>			<b>100.00</b>	

## List of Properties

Location	Description Existing Use	Approximate Age of Buildings (Years)	Tenure	Land Area (Sq. Ft.)	Built-up Area (Sq. Ft.)	Net Book Value as at 31/03/2011
Lot 6 PN6411 Section 15 District of Petaling Selangor Darul Ehsan	Industrial land/ hub and office buildings	30	Leasehold expiring 7/11/72	86,879	33,600	Building: RM3.01 Million
Lot 7, PN6412 Section 15 District of Petaling Selangor Darul Ehsan	Industrial land/ hub and office buildings	23	Leasehold expiring 7/11/72	141,092	23,760	Land: RM11.76 Million
H.S(D) 168513 Within Town of Shah Alam District of Petaling Selangor Darul Ehsan	Industrial land/ warehouse and office buildings	24	Leasehold expiring 8/5/72	145,500	67,553	Building: RM3.84 Million  Land: RM2.43 Million

# Network

## CORPORATE OFFICE

Lot 11A, Persiaran Selangor  
Section 15  
40200 Shah Alam  
Selangor Darul Ehsan  
Tel : 03-51633333  
Fax : 03-55182080

## LOGISTICS CENTRE

Lot 6 & 7, Jalan Utas 15/7  
Section 15, 40000 Shah Alam  
Selangor Darul Ehsan  
Tel : 03-55121000  
Fax : 03-50318896/5031 8897

## SUBSIDIARIES

### NATIONWIDE EXPRESS COURIER PTE LTD

No. 6, Harper Road #02-07  
Leong Huat Building  
Singapore 369764  
Contact : Mohammad Fauzi Jumari

### 114 NATIONWIDE EXPRESS FREIGHT FORWARDERS SDN BHD

Lot 11A, Persiaran Selangor  
Section 15  
40200 Shah Alam  
Selangor Darul Ehsan  
Tel : 03-55191800  
Fax : 03-55186800/55113900  
Contact : Ahmad Azman bin Abdul Khalid

### NATIONWIDE EXPRESS METRO SDN BHD

Lot 6 & 7, Jalan Utas 15/7  
Section 15, 40000 Shah Alam  
Selangor Darul Ehsan  
Tel : 03-51633386  
Fax : 03-50318893  
Contact : Izman bin Ismi

### NATIONWIDE EXPRESS LOGISTICS SDN BHD

Lot 6 & 7, Jalan Utas 15/7  
Section 15, 40000 Shah Alam  
Selangor Darul Ehsan  
Tel : 03-51633427  
Fax : 03-55107924  
Contact : Mohamed Firdaus bin Mat Seri

### NATIONWIDE EXPRESS RETAIL SDN BHD

Lot 6 & 7, Jalan Utas 15/7  
Section 15, 40000 Shah Alam  
Selangor Darul Ehsan  
Tel : 03-51633386  
Fax : 03-50318893  
Contact : Amran bin Ibrahim

## BUSINESS SERVICE CENTRES

### JALAN AMPANG

No. 198, Jalan Ampang  
50450 Kuala Lumpur  
Tel : 03-21665502/21665504  
Fax : 03-21640673  
Contact : Zaharin bin Jamaludin

### MANJALARA/SG BULOH - DSB

No. 35, Jalan 3/62A  
Bandar Baru Manjalara  
52200 Kuala Lumpur  
Tel : 03-62801931  
Fax : 03-62803730  
Contact : Muhammad Amiruddin bin Abu Bakar

### SEA PARK

No. 51, Ground Floor & 1st Floor  
Jalan 21/12 Sea Park  
46300 Petaling Jaya  
Selangor Darul Ehsan  
Tel : 03-78744900  
Fax : 03-78744886  
Contact : Hussaini bin Nordin

### SHAH ALAM

Lot 6 & 7, Jalan Utas 15/7,  
Section 15, 40000 Shah Alam  
Selangor Darul Ehsan  
Tel : 03-5512 1000  
Fax : 03-5031 8896/5031 8897  
Contact : Mohd Hanafiah bin Md Yunus

### PUCHONG

No. 9, Jalan TPP 1/1  
Taman Perindustrian Puchong  
47100 Puchong,  
Selangor Darul Ehsan  
Tel : 03-80621008  
Fax : 03-80610608  
Contact : Mohd Nazree bin Zainal

### MALURI

No. 24, Jalan Jejaka 5  
Taman Maluri,  
55100 Cheras, Kuala Lumpur  
Tel : 03-92005658  
Fax : 03-92005697  
Contact : Eliza Savarimuthu

**RETAIL OUTLETS****MID VALLEY MEGAMALL**

C01-01 P1 Zone B  
Mid Valley Megamall  
Longkaran Syed Putra  
59200 Kuala Lumpur  
Tel : 03-2284 3293  
Fax : 03-2287 2346

**KLIA**

Lot No. 34, SATP F06  
Passenger Level  
Satellite Building  
KLIA, 64000 Sepang  
Selangor Darul Ehsan

**PLAZA DAMANSARA**

Level B2, Block B  
Plaza Damansara  
45, Jalan Medan Setia 1  
Bukit Damansara  
50490 Kuala Lumpur  
Tel : 03-2095 0192  
Fax : 03-2095 0181

**STATION****KAJANG**

6, Jalan P/1A, Sec 13  
Kawasan Perindustrian Bangi  
43650 Bandar Baru Bangi  
Selangor Darul Ehsan  
Tel : 03-89201652  
Fax : 03-89251652  
Contact : Kamarudin bin Abu

**PORT KLANG**

No. 31, Jalan Melaka  
Off Persiaran Raja Muda Musa  
42000 Port Klang  
Selangor Darul Ehsan  
Tel : 03-31680237/3165 4985  
Fax : 03-31656313  
Contact : S. Malarvannan

**KLANG**

35, Jalan Kapar  
41400 Klang  
Selangor Darul Ehsan  
Tel : 03-33440441/33440442  
Fax : 03-33443472  
Contact : Catherine Thong

**BANTING**

No. 444, Jalan Jugra  
42700 Banting  
Selangor Darul Ehsan  
Tel : 03-31874887  
Fax : 03-31879902  
Contact : Sazali bin Salim

**RAWANG**

No. 20, Jalan Rawang  
Sentral RS1  
Taman Rawang Sentral  
48000 Rawang  
Selangor Darul Ehsan  
Tel : 03-60915293  
Fax : 03-60927306  
Contact : V. Subramaniam

**SERVICE CENTRES****TANJUNG MALIM**

Lart Enterprise  
No 15 & 17 Arkib MTDM  
35900 Tg Malim, Perak  
Tel : 05-4590905 / 016-2893036  
Fax : 05-4590905  
Contact : En Khairul Anwar bin Mohd Nor

**SOUTHERN****STATION****JOHOR BAHRU**

No. 1 & 3, Jalan Bayu 2/4  
Taman Perindustrian Tampoi Jaya  
81200 Johor Bahru  
Johor Darul Takzim  
Tel : 07-2354896/ 4901- 4903  
Fax : 07-2354908  
Contact : Norizan binti Haron

**MELAKA**

G1 & 1-1, Jalan Rahmat 5  
Pusat Bandar Malim Jaya  
75250 Melaka,  
Tel : 06-336 0900  
Fax : 06-336 0890  
Contact : Azreen bin Ahmad

**BATU PAHAT**

No. 53, Jalan Penjaja 3  
Kim's Park Business Centre  
83000 Batu Pahat  
Johor Darul Takzim  
Tel : 07-4314869  
Fax : 07-4321445  
Contact : Mohd Razib bin Othman

# Network

## MUAR

No. 5-7, Ground Floor,  
Jalan Ibrahim, 84000 Muar  
Johor Darul Takzim  
Tel : 06-9513069  
Fax : 06-9516301  
Contact : Rohainiza binti Said

## SEREMBAN

No. 1447 & 1448, Ground Floor  
Bukit Rasah Business Centre  
70300 Seremban  
Negeri Sembilan Darul Khusus  
Tel : 06-7627759  
Fax : 06-7632631  
Contact : Azizi bin Osman

## KLUANG

No 27, Susur 1, Jalan Johor Tenggara  
86000 Kluang  
Johor Darul Takzim  
Tel : 07- 7721026  
Fax : 07- 7720600  
Contact: Cik Nur Hidayat binti Omar

## NILAI

No. Pt 7264  
Putra Point, Jalan BBN 1/2B  
71800 Bandar Baru Nilai  
Negeri Sembilan Darul Khusus  
Tel : 06 -7941030  
Fax : 06-794 1032  
Contact : Padzilah binti Salleh

## SEGAMAT

NO: 40 Jalan Genuang Kampung  
85000 Segamat  
Johor Darul Takzim  
Tel : 07-9317406 / 607-9317407  
Fax : 607-9318408  
Contact : Siti Zubaidah binti Sapandi

## SERVICE CENTRES

### KULAI

Kulai Senai Courier Services  
No. 4010 Jalan Iris 7, Tmn Indahpura  
81000 Kulai  
Johor Darul Takzim  
Tel : 07-6637268  
Fax : 07-6637269  
Contact : Choo Puay Hin

## PONTIAN

Kulai Senai Courier Services  
No. 732 Medan Ko-Op Off Jln Bakek  
82000 Pontian, Johor  
Tel : 07-6874310  
Fax : 07-6874329  
Contact : Choo Puay Hin

## KOTA TINGGI

KT Courier Services,  
No. 14A, 1st Floor, Jalan Mawai  
81900 Kota Tinggi  
Johor Darul Takzim  
Tel : 07-8821322  
Fax : 07-8821322  
Contact : Leong Poi Lee

## PASIR GUDANG

Mohfaz Jaya Vision Enterprise  
No. 5, Jln Cendana 1, Tmn Cendana  
81700 Pasir Gudang  
Johor Darul Takzim  
Tel : 07-2552660  
Fax : 07-2552660  
Contact : Mohd Faizal bin Abdul Majid

## ALOR GAJAH

Huzaihas Enterprise,  
Blok E-11 Tingkat Bawah,  
Taman Mewah Kelemak,  
78000 Alor Gajah, Melaka  
Tel : 06-5567549  
Fax : 06-5567550  
Contact : Mohd Hasnol bin Mohd Hashim

## JASIN

Mohd Nazri Noordin  
c/o Kota Sepadu Sdn Bhd  
T323 Pekan Jasin  
77000 Melaka  
Tel : 06-5291158  
Contact : Mohd Nazri bin Noordin

## KUALA PILAH

TAA Tasha Enterprise  
No 157 Taman Wira Jaya  
72000 Kuala Pilah,  
Negeri Sembilan Darul Khusus  
Tel : 064810706  
Contact : M Subramaniam

**PORT DICKSON**

ARS Baalakrishnapathi Enterprise  
No 18 Port Dickson Central Market  
Jln DS 1/11, Bandar Dataran Segar  
71010 Lukut, Negeri Sembilan Darul Khusus  
Tel : 06-6516628  
Contact : Tamil Selvam A/L Naggappa

**MERSING**

Lot 16122, Jalan Rakit,  
Taman Tun Dr. Ismail,  
86800 Mersing  
Johor Darul Takzim  
Tel : 07-7993836  
Fax : 07-7993836  
Contact : Wong Yih Chau

**NORTHERN  
STATION****BUTTERWORTH**

Lot 5356 Jalan Jelawat  
Seberang Jaya Ind Park  
13200 Butterworth, Pulau Pinang  
Tel : 04-3995568/399 5569  
Fax : 04-3995542  
Contact : Wan Lazawardi bin Wan Mahadi

**PENANG**

No. 2, Jalan Perusahaan Jelutong 2  
Fortune Park, 10150 Penang  
Pulau Pinang  
Tel : 04-2813107  
Fax : 04-2816403  
Contact : Zairul bin Ngadin

**SUNGAI PETANI**

No. 20, Jalan Pahlawan  
Taman Lagenda Indah  
08000 Sungai Petani  
Kedah Darul Aman  
Tel : 04-4222504  
Fax : 04-4244868  
Contact : Dalilah binti Mat Isa

**ALOR SETAR**

Lot 135 & 136,  
Tingkat Bawah Kompleks Alor Setar  
Lebuhraya Darulaman  
Kedah Darul Aman  
Tel : 04-7312205  
Fax : 04-7333603  
Contact : Nur Azlina binti Romli

**IPOH**

No 2-2A Medan Istana 5  
Bandar Ipoh Raya  
30000 Ipoh, Perak  
Tel : 05-2554916 / 05-2550666  
Fax : 05-2546221  
Contact : Zamri bin Ariffin

**TAPAH**

54, Jalan Besar  
35000 Tapah, Perak  
Tel : 05-4013727  
Fax : 05-4015430  
Contact : Mohd Khairuddin bin Abd Shukor

**PARIT BUNTAR**

12, Jalan Wawasan Dua  
Taman Wawasan Jaya  
Parit Buntar, Perak  
Tel : 05-7169882  
Fax : 05-7174882  
Contact : Shamsul Azhar bin Ibrahim

**TAIPING**

16, Jalan Medan Taiping 4  
Medan Taiping  
34000 Taiping, Perak  
Tel : 05-8076332  
Fax : 05-8088322  
Contact : Sia Ming Kong

**KUALA KANGSAR**

No. 42, Taman Raja Idris  
Jalan Idris  
33000 Kuala Kangsar  
Perak Darul Ridzuan  
Tel : 05-7763897  
Fax : 05-7773268  
Contact : Rosli bin Hamad

**TELUK INTAN**

69B, Jalan Changkat Jong  
36000 Teluk Intan  
Perak Darul Ridzuan  
Tel : 05-6211986  
Fax : 05-6215066  
Contact : Abd Aziz bin Janni

**SITIAWAN**

No. 33, Jalan Haji Mohd Ali  
32000 Sitiawan  
Perak Darul Ridzuan  
Tel : 05-6916823  
Fax : 05-6928269  
Contact : Alex Yu



# Network

## SERVICE CENTRES TANJUNG KARANG

Zarighan Enterprise  
16, Jalan Ria Mas 1, Taman Ria Mas  
45500 Tanjung Karang,  
Selangor Darul Ehsan  
Tel : 03 32690998  
H/P : 017-2059576  
Contact: Zarina binti Muhammad

## KULIM

Kitaran Jaguh Sdn Bhd  
2581, Jalan Kulim  
14000 Bukit Mertajam  
Tel : 04-5394940  
H/P : 012-4020940  
Contact : M. Maran

## SIMPANG AMPAT

Kitaran Jaguh Sdn Bhd  
1387, Jalan Besar  
14100 Simpang Empat, SPS Pulau Pinang  
Tel : 04-5884940  
H/P : 012-4020940  
Contact : Maran

## JITRA

PMC Enterprise  
No. E04 & E05, Arked Mara Jitra  
Jalan Sungai Korok  
06000 Jitra, Kedah Darul Aman  
Tel : 04-9179325  
Fax : 04-9179325  
H/P : 013-4378653  
Contact : Azimah binti Omar

## LANGKAWI

Nadi Enterprise  
No. 24, Persiaran Mutiara  
Pusat Dagangan Kelana Mas  
07000 Langkawi  
Kedah Darul Aman  
Tel : 04-9666906  
Fax : 04-9665567  
H/P : 012-4893377  
Contact : Sahidi bin Saad

## KANGAR

Movan Express,  
No. 148, Persiaran Jubli Emas,  
01000 Kangar, Perlis  
Tel : 04-9761562  
Fax : 04-9781645  
H/P : 012-4273359  
Contact : Nooraishah binti Ahmad

## EAST COAST STATION KUANTAN

B 184, Jalan Dato' Lim Hoe Lek  
25200 Kuantan, Pahang Darul Makmur  
Tel : 09-5137880/513 8881  
Fax : 09-5156911  
Contact : Mohd Anis bin Hussain

## KOTA BHARU

Lot 234, Jalan Tengku Besar  
15000 Kota Bharu, Kelantan Darul Naim  
Tel : 09-7446243/744 6499  
Fax : 09-7477255  
Contact : Zubaidah binti Yusof

## KUALA TERENGGANU

94A, Jalan Sultan Zainal Abidin  
20000 Kuala Terengganu  
Terengganu Darul Iman  
Tel : 09-6300130/31  
Fax : 09-6300150  
Contact : Zunairah binti Abu Bakar

## KEMAMAN

Lot 10273, Tingkat Bawah  
Bangunan Hj Ibrahi  
Jln Penghiburan  
24000 Kemaman  
Terengganu Darul Iman  
Tel : 09-8503270/850 3271  
Fax : 09-8581366  
Contact : Hasmah binti Mohammad

## TEMERLOH

No. 18, Jalan Sudirman 7  
Bandar Sri Semantan  
28000 Temerloh  
Pahang Darul Makmur  
Tel : 09-2962122/290 1655  
Fax : 09-2960810  
Contact : Marhaini binti Mohd Nordin

## SERVICE CENTRES KUALA BERANG

Che Ku Norrani bt Che Ku Hitam  
Lot 276, Arked MDHT, Jalan Besar  
21700 Kuala Berang  
Terengganu Darul Iman  
Tel : 0199397962  
Contact : Nik Jamaluddin

**SETIU**

MyBizz Enterprise  
 Lot 14313-P, Jalan Gong Badak  
 21300 Kuala Terengganu  
 Terengganu Darul Iman  
 Tel : 09-6672425/ 019-7715079  
 Contact : Amy Hafiyuddin

**MARANG**

MyBizz Enterprise  
 Lot 424-A, Jalan Rhu Rendang  
 21600 Marang, Terengganu. Darul Iman  
 Tel : 09-618 6425 / 019-9312629  
 Contact : Amy Solihin

**DUNGUN**

Aina Unggul Enterprise  
 No. 98, Lot 3650, Bangunan Maidam  
 Jalan Pak Sabah  
 23000 Dungun, Terengganu Darul Iman  
 Tel : 013-9233487  
 Contact : Junaidi

**JERTEH**

H.M Berjaya Enterprise  
 No. 2, Dalam Pasar Jerteh  
 Sebelah Telekom  
 22000 Jerteh, Terengganu Darul Iman  
 Tel : 09-9772004 / 019-9024204  
 Contact : Hazira binti Mazney

**TRIANG**

Butik Sri Nona  
 Kedai Jahit & Fesyen  
 No. 9B, Pusat Dagangan 9  
 28300 Triang, Pahang Darul Makmur  
 Tel : 016-2654815  
 Contact : Mohamed Zamri

**PEKAN**

Ontime Supply & Services  
 A7, Grd Floor, Plaza D'Mara Pekan  
 Jln Engku Muda Mansor  
 26600 Pekan, Pahang  
 H/P : 016-9343041/019-9812015/019-9852015  
 Contact : Hasmadi bin Hassan

**JERANTUT**

Jaya Stationery & Photo Copy  
 B No 1 Bangunan LKNP  
 27000 Jerantut, Pahang  
 Tel : 013-9227565  
 Contact : Muhammad Nor Azihan bin Manan

**JENGKA**

Indah Agency  
 No. 16, Bangunan Kedai Mara  
 Nadi Kota, 26400 Jengka  
 Pahang Darul Makmur  
 Tel : 017-3420676  
 Contact : Nor Harisyam bin Kamarudin

**MARAN**

Phang Ng,  
 No. 20, Bangunan LKNP  
 Bandar Baru, 26500 Maran  
 Pahang Darul Makmur  
 Tel : 09-477 1310  
 Contact : Phang Kim Seong

**KARAK**

Pusat Video Sutha  
 27-A2 Main Street  
 28600 Karak, Pahang Darul Makmur  
 H/P : 019-903 4877  
 Contact : Ravendran A/L Thanavelu

**BENTONG**

Anjerida Enterprise  
 No. B-6, Arked Mara  
 Jalan Ah Peng  
 28700 Bentong, Pahang Darul Makmur  
 Tel : 09-222 7417  
 Contact : Ahmad Daud bin Mohd Nor

**RAUB**

Kedai Video,  
 No. 1, Jalan Lipis,  
 27600 Raub, Pahang Darul Makmur  
 H/P : 013-9373389  
 Contact : R. Sushil Kumar

**KUALA LIPIS**

No. 1, Kedai MDL, Bandar Baru  
 27100 Kuala Lipis, Pahang Darul Makmur  
 Tel : 09-312 2251  
 Contact : Nor Diana binti Yusuf

**MACHANG**

H.M. Berjaya Enterprise  
 Lot 1885C, Taman Purnama  
 18500 Machang, Kelantan Darul Naim  
 Tel : 09-975 7689  
 Contact : Hazira binti Mazney

# Network

## PASIR PUTIH

H.M. Berjaya Enterprise  
No. 18B, Jalan Pasar Lama  
16800 Pasir Putih, Kelantan Darul Naim  
Tel : 09-786 2975  
Contact : Hazira binti Mazney

## KUALA KRAI

H.M. Berjaya Enterprise  
No. 6, Depan Dewan Majlis Dearah Kuala Krai Utara  
18000 Kuala Krai, Kelantan Darul Naim  
Tel : 09-960 5410  
Contact : Hazira binti Mazney

## GUA MUSANG

Aik Cheong  
No. 51, Jalan Besar  
18300 Gua Musang, Kelantan Darul Naim  
Tel : 09-912 1775  
Contact : Aik Cheong

## TANAH MERAH

Alatulis Nan Lee  
310, Jalan Besar  
17500 Tanah Merah, Kelantan Darul Naim  
Tel : 09-955 5233  
Contact : Chan Kong Chai

## PASIR MAS

Wan Abdul Ghafar  
No 7, Lot 468, Kampong Kasar,  
17000 Pasir Mas, Kelantan Darul Naim  
Tel : 010 9282086/ 09 7900598  
Contact : Wan Abdul binti Ghafar

## KERTEH

Lot 817 Kg Baru, Belakang Esso  
24300 Kerteh, Terengganu Darul Iman  
Tel : 09-826 2626  
Fax : 09-826 5837  
Contact : Zulrushdi bin Hj Ahmad

## PAKA

L 17 Lot 1273 Jalan Besar,  
Kampung Cacar  
23100 Paka, Terengganu Darul Iman  
Tel : 013 939 8487/ 013 932 2487  
Contact : Junaidi bin Mohamad

## EAST MALAYSIA

### SABAH-STATION

#### KOTA KINABALU

Ground & 1st Floor, Lot 31  
Towering Industrial Centre  
KM. 7, Jalan Penampang  
88300 Kota Kinabalu, Sabah  
Tel : 088-71 8036/72 6876  
Fax : 088-71 1059  
Contact : Remegius Benedict

### LAHAD DATU

MDLD 3979, Lot 94  
Ground Floor, Fajar Centre  
Jalan Segama  
91100 Lahad Datu, Sabah  
Tel : 089-88 3953  
Fax : 089-88 3939  
Contact : Tony Liew

### TAWAU

MPT 4404, Lot 4, Ground Floor  
Block A, Bandaran Baru  
91000 Tawau, Sabah  
Tel : 089-77 8851/77 8852  
Fax : 089-76 5497  
Contact : Tapar Duriangta bin Abd Rajak

### SANDAKAN

Block 35, Lot No.6  
Ground Floor  
Bandar Indah Ph 06, Mile 4  
North Road, 90000 Sandakan  
Tel : 089-217113 / 089-218795  
Fax : 089-211182  
Contact : John Kaffly

### LABUAN

Lot 12, Ground Floor  
Lazenda Phase 3  
87008 Labuan  
Tel : 087-415893 / 087-415923  
Fax : 087-425893  
Contact : Liling Diring

### SERVICE CENTRES

#### KOTA KINABALU

P.O. Box 13500  
88839 Kota Kinabalu, Sabah  
Tel : 088-212131/019-851 1775  
Contact : Lim Vui Lip

**KUDAT**

Syarikat Len Niap  
Block C, Lot 7, Sedco Shophouse  
Pekan Tomborungus, Kudat  
P.O. Box 72, 89059 Kudat, Sabah  
Tel : 088-61 1626/61 2487  
Fax : 088-61 2486  
Contact : Lee Sip Kim

**KENINGAU**

SNS Marketing  
Simpang 4, Kg. Binaong Keningau  
89007 Keningau, Sabah  
Tel : 087-33 7990/019-841 7811  
Fax : 087-33 7990  
Contact : Suhaili

**KOTA BELUD**

Chian Siong Eng  
Driving School Centre  
Jalan Kota Kinabalu, P.O. Box 90  
89157 Kota Belud, Sabah  
Tel : 088-97 7126/019-8519588  
Contact : Chian Siong Eng

**RANAU/ TAMBUNAN/ TAMPARULI/ TUARAN/ TELIPUK/ SEPANGGAR/ MENGGATAL**

MP Services  
Shop No. 16, Lot 8, Block D  
Ground Floor Ruang Ridge View 1  
Phase 10A Sri Kepayan,  
Commercial Centre  
88200 Kota Kinabalu, Sabah  
Tel : 088-223863  
Fax : 088- 213863  
Contact : Stephen

**TENOM**

Tham Ken Sing  
Jalan Kolam, Taman Bahagia  
P.O. Box 132, 89907 Tenom, Sabah  
Tel : 087-736041/019-8318287  
Contact : Tham Ken Sing

**KOTA MARUDU/PITAS**

Emilda binti Emilio  
Post Box 529, 89108  
Kota Marudu, Sabah  
H/P : 013-8844056/010-954 5841  
Contact : Emilda binti Emilio

**KUNAK**

Aziz bin Kaman  
Kampung Kunak Jaya  
Kunak, Sabah  
H/P : 019-531 1664  
Contact : Aziz bin Kaman

**SEMPORNA**

Mohd Adnan bin Surip  
Ground Floor, Block D, Lot 53  
Bandaran Baru, Jalan Hj. Karim  
91000 Tawau, Sabah  
H/P : 019-899 7582  
Contact : Mohd Adnan bin Surip

**LAHAD DATU**

Rozaimie bin Abdul Rahman  
Taman Warisan, Warisan 4  
91100 Lahad Datu  
Sabah  
Contact : Rozaimie bin Abdul Rahman

**SARAWAK-STATION****KUCHING**

Lot 4577 & 4578, Taman Borneo  
Jalan Lapangan  
93350 Kuching, Sarawak  
Tel : 082-46 4605/57 2466  
Fax : 082-57 2466  
Contact : Donald Stanly

**SIBU**

No. 2B, 2C, Ground Floor  
Hua Kiew Road  
96000 Sibu, Sarawak  
Tel : 084-32 5072/32 5073  
Fax : 084-32 5076  
Contact : Nicholas Melian

**BINTULU**

Lot 311, Ground Floor  
Parkcity Commercial Square  
Phase 4, Jalan Tun Ahmas Zaidi  
97000 Bintulu, Sarawak  
Tel : 086-33 7433/33 7440  
Fax : 086-33 7440  
Contact : Fathynasnarani

# Network

## MIRI

Lot 1083, Ground Floor  
Jalan Merpati  
98000 Miri, Sarawa  
Tel : 085-41 0062  
Ext: 103/085-41 1478  
Fax : 085-41 1478  
Contact : Hatni bin Yusuf

## SERVICE CENTRE

### MUKAH

Ting Ming Kee Trading  
37, Medan Road  
96400 Mukah, Sarawak  
Tel : 084-87 1326/87 3513  
Contact : Ting Ming Kee

## BINTANGOR/MERADONG

Wong King Tee Services  
30, Court Road  
98500 Sibu, Sarawak  
Tel : 084-69 3046/69 2353  
Contact : Wong Kiing Tee

## DALAT

Ngia Heng Trading  
Lot 490, New Township  
96300 Dalat, Sarawak  
Tel : 084-86 4457/86 4250  
Contact : Kho Beng Lian

## DARO

140, Kampung Itol,  
96200 Daro, Sibu, Sarawak  
Tel : 084-82 3439  
Contact : Shahrulliza Tiong Bte Abdullah

## KAPIT

Syarikat Agastan Trading  
7, Jalan Tan Sit Leong  
P.O. Box 6, 96800 Kapit  
Sibu, Sarawak  
Tel : 084-79 7331/79 7332  
Contact : Augustine Leo Agas

## SONG

Neo Tiong Soon Coffeeshop  
12A, Jalan Bazzar  
96008 Song, Sarawak  
Tel : 084-77 7261  
Contact : Neo Eng Siew

## KANOWIT

Chop Chip Bee, 10, Main Bazaar  
96700 Kanowit, Sibu, Sarawak  
Tel : 084-75 2128  
Contact : Wong Ing Kiat

## SARIKEI

Chan's Office  
4, 1st Floor, Repok Road  
96100 Sarikei, Sarawak  
Tel : 084-65 4479/65 5057  
Contact : Lily Chan

## LIMBANG

Tehing Communication  
Lot 1347 Jalan Bangkita  
98700, Limbang  
Tel : 085 – 216868 /211177  
H/Phone No. : 0128142277  
Fax No. : 085-212899  
Contact : Josephine

## LAWAS

Kowas Transport  
No 20 Jalan Datu Tale  
98850 Lawas.  
Tel : 085 285450  
Fax : 085 285841  
H/Phone No. :019 – 8546456  
Contact : Yee

## MARUDI

Putra Jaya Sdn Bhd  
Lot 88 B Mtd Jln Kampong Cina  
98050 Marudi.  
Tel No : 010 – 7816682  
Contact : Cristiy

## BAU

Lot 103, Green Wood Park  
Batu 9, Jalan Kuching, Serian  
94200 Kuching, Sarawak  
H/Phone No. : 016-4406018  
Contact : Elon Ak Tandong

## KOTA SAMARAHAN

No. 86, Taman Hillside  
Jalan Sg. Tengah Matang  
93050 Kuching, Sarawak  
Tel : 016-888 3160  
Contact : Lennon Ak Juray

**SERIAN**

Room 101, 1st Floor  
Serian Co-Operative Building  
Jalan Pekan Baru, 94700 Serian, Sarawak  
Tel : 082-874401/019-883 0364  
Contact : Linten Renya

**LUNDU**

No. 32, Taman Lundu Jaya  
94500 Lundu, Sarawak.  
Tel : 013-5752422  
Contact : Uwet A/k Barba

**SRI AMAN**

No 82 Jln Datuk  
Kpg Hilir 95000  
Tel : 019-2219769  
Contact : Kusumawati

**EASICOURIER****STESEN MINYAK KURNIA**

Lot 48653, Sri Hartamas  
50480 Kuala Lumpur

**STESEN SERVIS LALUAN SUTERA**

Lot 2, Jalan 20/1, Section 20  
40000 Shah Alam, Selangor

**PS AMPANG UKAY (PETRONAS)**

Lot 318,  
Jln Ampang Kolam Air Lama  
68000 Ampang, Selangor Darul Ehsan

**SAHABAT MESRA ENTERPRISE**

Lot Pt 2381, Jalan 1A/6  
Taman Setapak Indah  
53100 Kuala Lumpur

**SSP AHA DAGANG (PETRONAS)**

Lot 4295 & 4310  
Jalan Rhu Off Jalan Ampang  
50450 Kuala Lumpur

**STESEN USJ 9 (PETRONAS)**

Lot 10446 Jalan Bakti  
Subang USJ 9/3  
47600 Subang Jaya, Selangor Darul Ehsan

**ALI LOK ENTERPRISE**

Lot 20849, Jalan USJ 2/2D  
47600 Subang Jaya, Selangor Darul Ehsan

**STESEN PETRONAS TTDI**

Lot 29395 Persiaran Zaaba  
Taman Tun Dr Ismail  
60000 Kuala Lumpur

**PETRONAS STATION SETIAWANGSA**

C/O Marz Autoservices  
Lot 16794, Jalan 255B  
Taman Setiawangsa  
50450 Kuala Lumpur

**STESEN MINYAK ZAZ**

Lot 37331 Jalan Kinrara 5  
Section 5, Bandar Kinrara  
47100 Puchong, Selangor Darul Ehsan

**STESEN PETRONAS PRESINT 9**

Pt 1442 HS (M) 668  
Mukim Dengkil, Presint 9  
62000 Putrajaya

**STESEN MINYAK GEMILANG**

Lot 29071 & 29072  
Taman Samudera  
68100 Batu Caves, Selangor Darul Ehsan

**STESEN DIWANIS**

Lot Pt 39732, Tmn Segar Cheras  
56100 Kuala Lumpur

**SARINANI KIOSK ENTERPRISE**

No. 427, Jalan Masjid Negeri  
11600 Penang

**STESEN MINYAK ZK**

Lot 15, Jalan Selangor  
46000 Petaling Jaya, Selangor Darul Ehsan

**ANFAL ENTERPRISE**

Lot 16292, Tmn Cheras Perdana  
43200 Cheras, Selangor Darul Ehsan

**HYM SERVICE STATION**

Lot 1612, Tmn Pauh Jaya  
Jalan Permatang  
13500 Bkt. Mertajam  
Pulau Pinang

# Network

## JELATEK SERVICE STATION

Lot 3, Jalan AU 1, Tmn Keramat  
54200 Kuala Lumpur

## PUTRA JAYA ENTERPRISE

Lot 4157, Tmn Kerjasama  
Bkt. Beruang  
75450 Melaka

## STATION INDAH

Lot Pt 18231,  
Jalan Pandan Indah 1/25  
55100 Kuala Lumpur

## TITIAN ENOLIL

Lot 8629, Jalan SS 22/41  
Damansara Jaya 1  
47400 Petaling Jaya, Selangor Darul Ehsan

## STATION KEPONG (1)

Karina Elwasiq Enterprise  
Lot 609A (No 2), Jalan Jambu  
Jertih Off Jalan Kepong  
52000 Kepong, Selangor

## PETRONAS STATION TAMAN MOLEK

Wan Fizilina Kiosk  
Lot Ptd 88326  
Mukim Plentong Tmn Molek  
81200 Johor Bahru, Johor

## PETRONAS STATION TG AGAS (2)

Rifaidil Enterprise, Lot Ptd 6717  
Jln Kesang Km 1, Tg Agas Kesang  
84000 Muar, Johor

## STATION TAMAN DESA JAYA

Venustar Service Station  
Lot 69921, No. 1 Jalan Desa Jaya  
Taman Desa Jaya,  
81100 Johor Bahru, Johor

## STATION KM11 JALAN SKUDAI

H.J.Enterprise, Lot 13309  
Km. 11, Jalan Skudai  
81200 Johor Bahru, Johor

## STATION ZY ENTERPRISE

No. 1, Jalan Kg Pandan  
Tmn Maluri  
55100 Kuala Lumpur

## PSS SEREMBAN JAYA

Lot Pt 4547, Tmn Seremban Jaya  
70450 Seremban, Negeri Sembilan

## JAMALUDIN NORDIN ENT

Lot 3429 Jalan Wangsa 2  
Bukit Antarabangsa  
68000 Ampang, Selangor Darul Ehsan

## IMANADIA ENTERPRISE

Stesen Minyak Petronas Matahari Heights Lot 1846 , PN648  
Mkm, Ampangan Matahari Hgths  
PST B Senawang  
Negeri Sembilan

## NST MESRA KIOSK

Axis Industrial Park  
Lot 2 Jalan Sepadu 25/123  
Taman Perindustrian Axis Sek 25  
40400 Shah Alam, Selangor Darul Ehsan

## INTERNATIONAL OFFICES

### SINGAPORE

Nationwide Express Courier Pte Ltd  
No. 6, Harper Road #02-07  
Leong Huat Building  
Singapore 369764  
Tel : 02-6285 4223  
Fax : 02-6284 4223  
Contact : Mohammad Fauzi bin Jumari

### BRUNEI

Archipelago Express Sdn Bhd  
Unit 3-5, Blk C, Latifuddin Complex  
Simpang 168-38, Jalan Tungku Link, BE3619  
Negara Brunei Darussalam  
Tel : 673 -2233 504/5/6  
D/L : 673-222 0973  
Fax : 673- 2240 526

### INDONESIA

PT Citra Van Titipan Kilat  
Jalan Radensaleh, No. 2  
Jakarta, 10430 Indonesia  
Tel : 65-21-315 1617  
Fax : 65-21-310 3691

# PROXY OF FORM

NATIONWIDE EXPRESS COURIER SERVICES BERHAD

I/We \_\_\_\_\_ NRIC No. \_\_\_\_\_  
(Full Name in Capital Letters)

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

being a member/members of NATIONWIDE EXPRESS COURIER SERVICES BERHAD hereby appoint

\_\_\_\_\_ NRIC No. \_\_\_\_\_

of \_\_\_\_\_

or failing him/her, \_\_\_\_\_ NRIC No. \_\_\_\_\_

of \_\_\_\_\_

as my/our proxy to vote for me/us on my/our behalf at the **25th Annual General Meeting** of the Company to be held at Nationwide Express Courier & Logistics Training Centre, B-18-7-G, Jalan Pahat K15/K, Kompleks Otomobil, Dataran Otomobil, Section 15, 40200 Shah Alam, Selangor Darul Ehsan on **Tuesday, 20th September 2011** at **10.00 a.m.**, and at any adjournment thereof. My/our proxy is to vote as indicated below:-

NO.	RESOLUTIONS	FOR	AGAINST
1	To receive and adopt the Audited Financial Statements for the financial year ended 31st March 2011 and the Reports of the Directors and Auditors thereon		
2	To sanction the declaration of a final dividend of 3.5% (less 25% tax)		
3	To approve the payment of Directors' fees for the financial year ending 31 March 2011		
4	To re-elect a Director under Article 69 of the Company's Article of Association:- - Rozilawati binti Haji Basir		
5	To re-elect a Director under Section 129 of the Companies Act, 1965:- - Tan Sri Dato' Sulaiman bin Sujak		
6	To re-appoint Messrs. Hanafiah Raslan & Mohamad as Auditors of the Company and to authorise the Directors' to fix their remuneration		

(Please indicate with an "X" how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his discretion.)

As witness my/our hand this \_\_\_\_\_ day of \_\_\_\_\_ 2011

No. of shares held \_\_\_\_\_

Signed \_\_\_\_\_

In the presence of \_\_\_\_\_

## NOTES:-

A member of the Company entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of him/her. A proxy may not be a Member and a Member may appoint more than two (2) proxies to attend at the same meeting. Where a Member appoints two (2) or more proxies, he/she shall specify the proportion of his/her shareholding to be represented by each proxy. The instruments appointing the proxy must be deposited at the Registered Office of the Company by, not less than forty eight (48) hours before the time of the holding of the AGM.



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STAMP

The Company Secretary

**NATIONWIDE EXPRESS COURIER SERVICES BERHAD**

(Company No.: 133096-M)

Lot 11A, Persiaran Selangor

Section 15

40200 Shah Alam

Selangor Darul Ehsan