



**INTEGRATED LOGISTICS BERHAD**

Company No. 229690-K

**To : All shareholders of Integrated Logistics Berhad**

Dear Sir/Madam,

**ERRATA TO ANNUAL REPORT 2013**

We refer to our Annual Report 2013 which was dispatched to you on 12 March 2014 and wish to inform you on the following amendments which are highlighted in **bold**:-

A. **NOTES TO THE FINANCIAL STATEMENTS (page 60)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**2.2 New and Revised MFRSs, Amendments/Improvements to MFRSs, New IC Interpretations ("IC Int") and Amendments to IC Int (cont'd)**

**(a) Adoption of New and Revised MFRSs, Amendments/Improvements to MFRSs, New IC Int and Amendments to IC Int (cont'd)**

***Amendments to MFRS 101 Presentation of Financial Statements***

Refer to Appendix I with the amendments highlighted in **bold**.

B. **NOTES TO THE FINANCIAL STATEMENTS (page 98 and 99)**

**13. SUBSIDIARIES (cont'd)**

- (e) The summarised financial information before intra-group elimination of the subsidiaries that have material NCI as at the end of each reporting period are as follows:-

Refer to Appendices II & III with the amendments highlighted in **bold**.

The amendments are much regretted.

This errata is dated 12 March 2014.

By Order of the Board

Amarjit Singh A/L Banta Singh  
Company Secretary

# NOTES TO THE FINANCIAL STATEMENTS

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### 2.2 New and Revised MFRSs, Amendments/Improvements to MFRSs, New IC Interpretations ("IC Int") and Amendments to IC Int (cont'd)

#### (a) Adoption of New and Revised MFRSs, Amendments/Improvements to MFRSs, New IC Int and Amendments to IC Int (cont'd)

##### ***MFRS 12 Disclosures of Interests in Other Entities***

MFRS 12 is a single disclosure standard for interests in subsidiaries, jointly controlled entities, associates and unconsolidated structured entities. The disclosure requirements in this MFRS are aimed at providing standardised and comparable information that enable users of financial statements to evaluate the nature of, and risks associated with, the entity's interests in other entities, and the effects of those interests on its financial position, financial performance and cash flows. The requirements in MFRS 12 are more comprehensive than the previously existing disclosure requirements for subsidiaries. MFRS 12 disclosures are provided in Notes 13, 14 and 15.

##### ***MFRS 13 Fair Value Measurement***

MFRS 13 defines fair value and sets out a framework for measuring fair value, and the disclosure requirements about fair value. This standard is intended to address the inconsistencies in the requirements for measuring fair value across different accounting standards. As defined in this standard, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As a result of the guidance in MFRS 13, the Group and the Company reassessed their policies for measuring fair values, in particular, its valuation inputs such as non-performance risk for fair values measurement of liabilities.

Application of MFRS 13 has not materially impacted the fair value measurements of the Group and of the Company. MFRS 13 requires more extensive disclosures. Additional disclosures where required, are provided in the individual notes relating to the assets and liabilities whose fair values were determined. Fair value hierarchy is provided in Note 40.

##### ***Amendment to MFRS 101 Presentation of Financial Statements***

The amendment to MFRS 101 introduces a grouping of items presented in other comprehensive income. Items that will be reclassified to profit or loss at future point in time have to be presented separately from items that will not be reclassified.

This amendment also clarifies the difference between voluntary additional comparative information and the minimum required comparative information. An entity must include comparative information in the related notes to the financial statements when it voluntarily provides comparative information beyond the minimum required comparative period. The amendment clarifies that the opening statement of financial position presented as a result of retrospective restatement or reclassification of items in financial statements does not have to be accompanied by comparative information in the related notes. As a result, the Group has not included comparative information in respect of the opening statement of financial position as at 1 January 2012.

**The amendment also introduces new terminology, whose use is not mandatory, for the statement of comprehensive income and income statement. Under the amendment, the 'statement of comprehensive income' is renamed as the 'statement of profit or loss and other comprehensive income'.**

The above amendment affects presentation only and has no impact on the Group's and the Company's financial position or performance.

## NOTES TO THE FINANCIAL STATEMENTS

### 13. SUBSIDIARIES (cont'd)

(e) The summarised financial information before intra-group elimination of the subsidiaries that have material NCI as at the end of each reporting period are as follows:-

	Integrated Logistics (H.K.) Limited RM	Integrated Shun Hing Logistics (Shanghai) Co. Limited RM	Integrated Logistics (China) Co. Limited RM	Integrated Etern Logistics (Suzhou) Co. Limited RM	Shenzhen ISH Logistics Company Limited* RM
<b>2013</b>					
<b>Assets and liabilities</b>					
Non-current assets	107,104,188	412,632	97,616	70,528,852	-
Current assets	103,736,175	26,197,051	30,132,926	1,030,223	-
Non-current liabilities	(122,230,858)	-	-	(33,919)	-
Current liabilities	(38,492,775)	(1,874,618)	(638,814)	(18,652,415)	-
Net assets	<u>50,116,730</u>	<u>24,735,065</u>	<u>29,591,728</u>	<u>52,872,741</u>	<u>-</u>
<b>Results</b>					
Revenue	18,240,153	17,617,022	3,613,243	3,143,654	-
Profit for the financial year	298,363,807	2,788	310,687	168,402	-
Total comprehensive income	<u>298,363,807</u>	<u>2,788</u>	<u>310,687</u>	<u>168,402</u>	<u>-</u>
Cash flows from operating activities	7,343,664	12,665,173	25,995,321	6,174,979	-
Cash flows from investing activities	350,554,368	(90,746)	(4,384)	(1,714,119)	-
Cash flows from financing activities	(319,170,964)	(759,245)	-	(5,999,312)	-
Effects of exchange rates changes on cash and cash equivalents	-	-	(5,567)	-	-
Net change in cash and cash equivalents	<u>38,727,068</u>	<u>11,815,182</u>	<u>25,985,370</u>	<u>(1,538,452)</u>	<u>-</u>

## NOTES TO THE FINANCIAL STATEMENTS

### 13. SUBSIDIARIES (cont'd)

(e) The summarised financial information before intra-group elimination of the subsidiaries that have material NCI as at the end of each reporting period are as follows:- (cont'd)

	Integrated Logistics (H.K.) Limited RM	Integrated Shun Hing Logistics (Shanghai) Co. Limited RM	Integrated Logistics (China) Co. Limited RM	Integrated Etern Logistics (Suzhou) Co. Limited RM	Shenzhen ISH Logistics Company Limited* RM
<b>2012</b>					
<b>Assets and liabilities</b>					
Non-current assets	151,207,368	465,923	152,318	60,387,270	113,845,993
Current assets	109,074,892	24,839,447	27,141,686	4,699,277	44,390,590
Non-current liabilities	(153,358,221)	-	-	(4,450,981)	-
Current liabilities	(41,492,822)	(2,179,234)	(793,735)	(12,727,001)	(90,809,523)
Net assets	<u>65,431,217</u>	<u>23,126,136</u>	<u>26,500,269</u>	<u>47,908,565</u>	<u>67,427,060</u>
<b>Results</b>					
Revenue	10,877,987	17,144,753	4,222,156	3,050,006	-
Profit for the financial year	20,877,956	184,943	725,280	203,727	-
Total comprehensive income	<u>20,877,956</u>	<u>184,943</u>	<u>725,280</u>	<u>203,727</u>	-
<b>Cash flows from operating activities</b>	<b>108,412,947</b>	<b>(2,456,023)</b>	<b>(39,391,703)</b>	<b>13,759,509</b>	-
<b>Cash flows from investing activities</b>	<b>(67,732,186)</b>	<b>(214,932)</b>	<b>(13,987)</b>	<b>(55,169,907)</b>	-
<b>Cash flows from financing activities</b>	<b>(27,296,227)</b>	<b>-</b>	<b>-</b>	<b>20,566,080</b>	-
<b>Net change in cash and cash equivalents</b>	<u><b>13,384,534</b></u>	<u><b>(2,670,955)</b></u>	<u><b>(39,405,690)</b></u>	<u><b>(20,844,318)</b></u>	-

\* The profit allocated to NCI is not disclosed in Shenzhen ISH Logistics Company Limited as it has been disposed off during the financial year.