

Quarterly report on consolidated results for the first financial quarter ended 30th September 2016.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 30.09.2016 RM'000	Quarter Ended 30.09.2015 RM'000	Year To Date Ended 30.09.2016 RM'000	Year To Date Ended 30.09.2015 RM'000
Revenue	360,220	260,092	360,220	260,092
Cost of Sales	<u>(336,454)</u>	<u>(228,077)</u>	<u>(336,454)</u>	<u>(228,077)</u>
Gross Profit	23,766	32,015	23,766	32,015
Other Operating Income	2,629	5,106	2,629	5,106
Selling and Distribution Costs	(3,359)	(2,841)	(3,359)	(2,841)
Administrative Expenses	(14,084)	(15,140)	(14,084)	(15,140)
Finance Costs	<u>(875)</u>	<u>(122)</u>	<u>(875)</u>	<u>(122)</u>
Profit Before Tax	8,077	19,018	8,077	19,018
Tax Expense	<u>(876)</u>	<u>(5,216)</u>	<u>(876)</u>	<u>(5,216)</u>
Profit for the Period	7,201	13,802	7,201	13,802
Other Comprehensive Income, net of tax	<u>(24)</u>	<u>-</u>	<u>(24)</u>	<u>-</u>
Total Comprehensive Income for the Period	<u>7,177</u>	<u>13,802</u>	<u>7,177</u>	<u>13,802</u>
Profit Attributable to :				
Equity holders of the Company	5,057	10,068	5,057	10,068
Non-Controlling Interest	<u>2,144</u>	<u>3,734</u>	<u>2,144</u>	<u>3,734</u>
	<u>7,201</u>	<u>13,802</u>	<u>7,201</u>	<u>13,802</u>
Basic earnings per share attributable to equity holders of the Company (sen)	<u>3.12</u>	<u>6.21</u>	<u>3.12</u>	<u>6.21</u>
Total Comprehensive Income Attributable to:				
Equity holders of the Company	5,042	10,068	5,042	10,068
Non-Controlling Interest	<u>2,135</u>	<u>3,734</u>	<u>2,135</u>	<u>3,734</u>
	<u>7,177</u>	<u>13,802</u>	<u>7,177</u>	<u>13,802</u>

The Condensed Consolidated Income Statements should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30th June 2016 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Unaudited as at 30.09.2016 RM'000	Audited as at 30.06.2016 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	52,615	52,821
Intangible Assets	11,261	11,261
Other Investments	10	10
Prepayment	2,050	1,600
Deferred Tax Assets	377	377
	<u>66,313</u>	<u>66,069</u>
Current Assets		
Inventories	35,535	44,227
Trade Receivables	135,452	170,412
Other Receivables	63,265	66,572
Current Tax Assets	384	331
Derivative Financial Assets	-	3,212
Deposits Placed with Financial Institutions	34,180	10,890
Cash and Bank Balances	92,726	60,152
	<u>361,542</u>	<u>355,796</u>
TOTAL ASSETS	<u>427,855</u>	<u>421,865</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share Capital	81,000	81,000
Reserves	97,922	92,880
	<u>178,922</u>	<u>173,880</u>
Non-Controlling Interests	<u>20,826</u>	<u>18,691</u>
Total Equity	<u>199,748</u>	<u>192,571</u>
Non-Current Liabilities		
Long Term Loans	6,916	6,124
Hire Purchase and Lease Creditors	2,101	2,054
Retirement Benefit Obligations	843	802
Deferred Tax Liabilities	2,196	3,725
	<u>12,056</u>	<u>12,705</u>
Current Liabilities		
Trade Payables	54,542	55,361
Other Payables	33,754	28,942
Derivative Financial Liabilities	3,273	1,979
Hire Purchase and Lease Creditors	462	642
Bank Borrowings	121,350	126,047
Current Tax Liabilities	2,670	3,618
	<u>216,051</u>	<u>216,589</u>
Total Liabilities	<u>228,107</u>	<u>229,294</u>
TOTAL EQUITY AND LIABILITIES	<u>427,855</u>	<u>421,865</u>
	-	-
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.10	1.07

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30th June 2016 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	<----- Attributable to owners of the Company ----->						Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Foreign Currency Translation Reserve RM'000	Distributable Retained Profits RM'000	Total RM'000	Non- Controlling Interest RM'000	
3 months ended 30th September 2016							
At 1st July 2016	81,000	14,147	(20)	78,753	173,880	18,691	192,571
Foreign Currency Translation	-	-	(15)	-	(15)	(9)	(24)
Profit For The Period	-	-	-	5,057	5,057	2,144	7,201
Total Comprehensive Income	-	-	(15)	5,057	5,042	2,135	7,177
At 30th September 2016	<u>81,000</u>	<u>14,147</u>	<u>(35)</u>	<u>83,810</u>	<u>178,922</u>	<u>20,826</u>	<u>199,748</u>
3 months ended 30th September 2015							
At 1st July 2015	81,000	14,147	-	52,143	147,290	8,562	155,852
Profit For The Period	-	-	-	10,068	10,068	3,734	13,802
At 30th September 2015	<u>81,000</u>	<u>14,147</u>	<u>-</u>	<u>62,211</u>	<u>157,358</u>	<u>12,296</u>	<u>169,654</u>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30th June 2016 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Current Year To Date Ended 30.09.2016 RM'000	Corresponding Year To Date Ended 30.09.2015 RM'000
Profit Before Taxation	8,077	19,018
Adjustment for :-		
Non-Cash Items	762	741
Non-Operating Items	4,506	4,375
Operating Profit Before Working Capital Changes	<u>13,345</u>	<u>24,134</u>
Changes in Working Capital		
Net Change in Current Assets	46,508	(72,508)
Net Change in Current Liabilities	3,994	13,775
Tax Paid	(3,409)	(585)
Cash Used In Operating Activities	<u>60,438</u>	<u>(35,184)</u>
Interest Received	529	75
Net Cash Used In Operating Activities	<u>60,967</u>	<u>(35,109)</u>
Investing Activities		
Purchase of Property, Plant and Equipment	(1,045)	(1,731)
Proceeds from Sale of Property, Plant and Equipment	-	15
Uplifts of Fixed Deposit	-	5,010
Net Cash Used In Investing Activities	<u>(1,045)</u>	<u>3,294</u>
Financing Activities		
Drawdown of Bank Borrowings	41,485	59,165
Repayment of Bank Borrowings	(45,390)	(35,888)
Drawdown of Hire Purchase and Lease Creditors	5	201
Repayment of Hire Purchase and Lease Creditors	(138)	(59)
Net Cash From Financing Activities	<u>(4,038)</u>	<u>23,419</u>
Net Change in Cash and Cash Equivalents	55,884	(8,396)
Net Effect of Exchange Rate Changes on Cash and Cash Equivalents	(24)	-
Cash and Cash Equivalents at beginning of financial year	65,512	47,769
Cash and Cash Equivalents at end of financial period	<u>121,372</u>	<u>39,373</u>
Cash and cash equivalents carried forward consists of:-		
Deposits Placed with Financial Institutions	34,180	2,500
Cash and Bank Balances	92,726	37,278
Bank Overdraft	(4)	(405)
	<u>126,902</u>	<u>39,373</u>
Less: Fixed Deposits With Maturity Periods More Than 3 Months	(5,530)	-
	<u>121,372</u>	<u>39,373</u>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30th June 2016 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

A1 Basis of Preparation

The condensed consolidated interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Malaysia Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30th June 2016. The explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30th June 2016.

A2 Audit Report of the Preceding Annual Financial Statements

The auditors' report on the financial statements of the Group for the financial year ended 30th June 2016 was not subject to any qualification.

A3 Seasonal or Cyclical Factors

The Group's business operations are affected by macroeconomic cycles.

A4 Nature and Amount of Unusual Items

There were no unusual items affecting the Group's assets, liabilities, equity, net income or cash flows during the current financial quarter under review.

A5 Nature and Amount of Changes in Estimates

There were no significant changes in estimates of amounts reported in prior quarter that have a material impact on the current financial quarter.

A6 Debt and Equity Securities

The Group was not involved in any issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial quarter.

A7 Dividend Paid

There was no dividend paid in the current quarter ended 30th September 2016.

A8 Segment Information

For management purposes, the Group is organized into three major business segments, namely edible oil products, tapware and sanitary ware and investments holdings/others. Inter-segment transactions are entered into in the normal course of business and are based on negotiated and mutually agreed terms.

	3 months ended 30th September 2016			
	Edible oil products RM'000	Tap-ware and sanitary ware RM'000	Investment holdings/Others RM'000	Total RM'000
Segments revenues and results				
Revenue	349,252	10,968	-	360,220
Operating Profit/(Loss)	9,813	(64)	(797)	8,952
Profit/(Loss) Before Tax	8,971	(93)	(801)	8,077
Segments assets				
Total Assets	360,642	38,512	28,701	427,855

	3 months ended 30th September 2015			
	Edible oil products RM'000	Tap-ware and sanitary ware RM'000	Investment holdings/Others RM'000	Total RM'000
Segments revenues and results				
Revenue	248,693	11,367	32	260,092
Operating Profit/(Loss)	19,200	809	(869)	19,140
Profit/(Loss) Before Tax	19,117	778	(877)	19,018
Segments assets				
Total Assets	266,214	40,180	4,339	310,733

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

A9 Property, Plant and Equipment

The valuations of land and buildings have been brought forward, without amendment from the annual financial report for the financial year ended 30th June 2016.

A10 Subsequent Material Events

As at the date of this report, there was no material event subsequent to the balance sheet date that affect the results of the Group for the financial year to-date.

A11 Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial quarter.

A12 Changes in Contingent Liabilities

The contingent liabilities of the Company are as follows:-

	As at 30.09.2016 RM'000
Unsecured :-	
Guarantees given by the Company to financial institutions in respect of:-	
(i) Banking facilities granted to subsidiaries	128,266
(ii) Hire purchase and lease facilities granted to subsidiaries	-

A13 Capital Commitments

	As at 30.09.2016 RM'000
Authorised and contracted for	-
Authorised but not contracted for	10,000

**ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**
B1 Review of Performance

The Group performance for the quarter under review against the corresponding quarter of the previous financial year is tabled below:-

Description	1st Qtr 2017	1st Qtr 2016	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue	360,220	260,092	100,128	38%
Profit before tax	8,077	19,018	(10,941)	-58%
Profit after tax	7,201	13,802	(6,601)	-48%

For the current quarter, the Group recorded revenue of RM360.22 million, an increase of 38% compared to revenue of RM260.09 million recorded in the corresponding quarter last year. The higher revenue for the current quarter was mainly due to higher prices for palm olein and increased shipping to low margin market.

However, the decrease in profit before tax was due to lower margins as shipments to several high margin markets decreased owing to shortage of US Dollars.

B2 Variation of Results Against Preceding Quarter

Description	1st Qtr 2017	4th Qtr 2016	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue	360,220	364,685	(4,465)	-1%
Profit before tax	8,077	10,322	(2,245)	-22%
Profit after tax	7,201	7,995	(794)	-10%

For the current quarter, the Group posted slightly lower revenue as compared to the preceding quarter mainly due to decrease from sales in the edible oil division. The decrease is due to short supply of palm olein to meet normal market demand as the bulk market was oversold during the quarter. Higher than usual prices also led to slower demand as compared to the preceding quarter.

B3 Current Year Prospects

The Group will continue with its expansion plans for revenue growth for its edible oil operations and with smart partnership tie-up with property developers for the tap-ware and sanitary ware divisions to enhance shareholders' value .

B4 Profit Forecast

Not applicable as no profit forecast was published.

B5 Tax Expense

Taxation for continuing operations comprises:

	Quarter Ended		Year To Date Ended	
	30.09.2016	30.09.2015	30.09.2016	30.09.2015
	RM'000	RM'000	RM'000	RM'000
Taxation comprises:-				
- Income Tax	2,405	4,929	2,405	4,929
- Deferred Tax	(1,529)	287	(1,529)	287
	<u>876</u>	<u>5,216</u>	<u>876</u>	<u>5,216</u>

The Group's effective tax rate for the current quarter is higher than the statutory tax rate mainly due to certain expenses not deductible for tax purposes.

ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
B6 Corporate Proposal

There were no new corporate proposals during the current financial quarter under review.

B7 Bank Borrowings

Details of the Group's bank borrowings as at 30th September 2016 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Current	121,350	-	121,350
Non-Current	6,916	-	6,916
	<u>128,266</u>	<u>-</u>	<u>128,266</u>

B8 Derivative Financial Instruments

The derivative forward currency contracts were entered into with the objective of managing the Group's exposure to currency risk for receivables which are denominated in a currency other than the functional currency of the Group.

The derivatives below are initially recognised at fair value on the dates the derivative contracts are entered into and are subsequently re-measured at fair value through profit and loss to the financial statements. The resulting gain or loss from re-measurement is recognised in profit or loss to the financial statements.

The details of the foreign currency forward contracts are as follows:-

Type of Derivatives	Quarter Ended	
	30.09.2016 RM'000	30.09.2015 RM'000
Forward Contracts		
Contract/Notional Value	220,628	100,864
Fair Value	3,273	5,969

B9 Material Litigation

There were no material litigations of the Group since the previous quarterly report date up to the date of this report.

B10 Dividend

The Board of Directors do not recommend any dividend for the period ended 30th September 2016.

B11 Earnings Per Share

	Quarter Ended		Year To Date Ended	
	30.09.2016	30.09.2015	30.09.2016	30.09.2015
Profit attributable to equity holders of the Company (RM'000)	5,057	10,068	5,057	10,068
Weighted average number of ordinary shares in issue ('000)	162,000	162,000	162,000	162,000
Basic earnings per share (sen)	3.12	6.21	3.12	6.21

B12 Comparative Figures

Certain comparative figures have been reclassified to conform with the current quarter's presentation.

**ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****PART C - DISCLOSURE OF REALISED AND UNREALISED PROFITS OR LOSSES**

C1 Total retained profits/(accumulated losses) as at 30th September 2016 the end of the reporting period may be analysed as follows:

	As at 30.09.2016 RM'000
Total Retained Profits/(Accumulated Losses) of C.I. Holdings Berhad and its subsidiaries:	
- Realised	(43,411)
- Unrealised	<u>(8,507)</u>
	(51,918)
Less: Consolidation Adjustments	<u>135,728</u>
Total Group Retained Profits as per Consolidation Accounts	<u><u>83,810</u></u>