

CITRA NUSA HOLDINGS BERHAD
(198901004452)(181758-A)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		2023	2022	2023	2022
		CURRENT QUARTER 31/03/2023 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2022 RM'000	CURRENT YEAR TO DATE 31/03/2023 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2022 RM'000
Revenue	B1	14,784	21,754	14,784	21,754
Direct operating costs		(8,163)	(9,356)	(8,163)	(9,356)
Gross profit		6,621	12,398	6,621	12,398
Other income		385	46	385	46
Operating costs		(7,983)	(11,223)	(7,983)	(11,223)
Finance costs		(113)	(142)	(113)	(142)
(Loss)/Profit before taxation	B2	(1,090)	1,079	(1,090)	1,079
Taxation	B5	(180)	(282)	(180)	(282)
(Loss)/Profit for the financial period		(1,270)	797	(1,270)	797
Other comprehensive loss		(47)	(82)	(47)	(82)
Total comprehensive (loss)/income for the financial period		(1,317)	715	(1,317)	715
(Loss)/Profit attributable to:					
Owners of the Company		(1,157)	890	(1,157)	890
Non-controlling interest		(113)	(93)	(113)	(93)
		(1,270)	797	(1,270)	797
Total comprehensive (loss)/income attributable to:					
Owners of the Company		(1,204)	890	(1,204)	890
Non-controlling interest		(113)	(93)	(113)	(93)
		(1,317)	797	(1,317)	797
Weighted average number of shares in issue ('000)		720,000	720,000	720,000	720,000
Earnings per share (sen) - basic	B10	(0.16)	0.12	(0.16)	0.12
- diluted	B10	(0.16)	0.12	(0.16)	0.12

Note 1:

The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

CITRA NUSA HOLDINGS BERHAD
(198901004452)(181758-A)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Unaudited	Audited
Note	AS AT 31/03/2023	AS AT 31/12/2022
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	29,853	29,438
Investment properties	5,104	5,104
Intangible asset	781	856
Other Investment	143	143
Investment in preference shares	2,000	2,000
	<u>37,881</u>	<u>37,541</u>
Current Assets		
Inventories	11,567	14,096
Trade receivables	5,714	7,371
Other receivables, deposits and prepayments	2,185	4,170
Short-term investment	12,061	10,483
Cash and cash equivalents	10,951	13,018
	<u>42,478</u>	<u>49,138</u>
TOTAL ASSETS	<u>80,359</u>	<u>86,679</u>
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	72,000	72,000
Treasury shares	(48)	(41)
Exchange translation reserve	(248)	(201)
Legal capital reserve	178	178
Accumulated loss	(3,797)	(2,640)
Total equity attributable to the Owners of the Company	<u>68,085</u>	<u>69,296</u>
Non-controlling interest	662	775
Total Equity	<u>68,747</u>	<u>70,071</u>
Non-current Liability		
Lease liabilities	B7 1,090	1,090
	<u>1,090</u>	<u>1,090</u>
Current Liabilities		
Trade payables	2,081	4,238
Other payables, deposits and accruals	7,391	10,098
Lease liabilities	B7 935	1,017
Tax payable	115	165
	<u>10,522</u>	<u>15,518</u>
Total Liabilities	<u>11,612</u>	<u>16,608</u>
TOTAL EQUITY AND LIABILITIES	<u>80,359</u>	<u>86,679</u>
Net assets per share attributable to owners of the Company (RM)	0.10	0.10

Note:

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

CITRA NUSA HOLDINGS BERHAD
(198901004452)(181758-A)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

	← Attributable to the Owners of the Company →				Distributable Retained earnings/ (Accumulated loss)	Non-controlling	Total
	← Non-distributable →		Exchange translation				
	Share capital	Legal reserve	Treasury shares	Exchange reserve			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as of 1 January 2023	72,000	178	(41)	(201)	(2,640)	775	70,071
Loss for the period	-	-	-	-	(1,157)	(113)	(1,270)
Other comprehensive loss							
Foreign currency translation	-	-	-	(47)	-	-	(47)
Transactions with Owners of the Company							
Purchase of treasury shares	-	-	(7)	-	-	-	(7)
Total transactions with Owners of the Company	-	-	(7)	-	-	-	(7)
Balance as of 31 March 2023	<u>72,000</u>	<u>178</u>	<u>(48)</u>	<u>(248)</u>	<u>(3,797)</u>	<u>662</u>	<u>68,747</u>

	← Attributable to the Owners of the Company →				Distributable Retained earnings/ (Accumulated loss)	Non-controlling	Total
	← Non-distributable →		Exchange translation				
	Share capital	Legal reserve	Treasury shares	Exchange reserve			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as of 1 January 2022	72,000	178	-	63	(859)	1,251	72,633
Profit/(Loss) for the period	-	-	-	-	890	(93)	797
Other comprehensive loss							
Foreign currency translation	-	-	-	(82)	-	-	(82)
Balance as of 31 March 2022	<u>72,000</u>	<u>178</u>	<u>-</u>	<u>(19)</u>	<u>31</u>	<u>1,158</u>	<u>73,348</u>

Note:

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

CITRA NUSA HOLDINGS BERHAD
(198901004452)(181758-A)
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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

	3 Months Ended 31/03/2023 RM'000	3 Months Ended 31/03/2022 RM'000
Cash Flows from Operating Activities		
(Loss)/Profit before tax	(1,090)	1,079
Adjustments for:		
Amortisation of intangible assets	75	80
Depreciation of property, plant and equipment	424	460
Interest expenses	113	142
Interest income	(207)	(68)
Inventories written down	44	-
Reversal of inventories written down	(41)	(21)
Property, plant and equipment written off	10	-
Unrealised gain on foreign exchange currency	(33)	(12)
	<hr/>	<hr/>
Operating (loss)/profit before working capital changes	(705)	1,660
Inventories	2,526	(32)
Receivables	3,675	25
Payables	(4,864)	(2,377)
	<hr/>	<hr/>
Cash generated from/(used in) operations	632	(724)
Interest paid	(113)	(142)
Interest received	207	68
Tax paid	(230)	(297)
Net cash generated from/(used in) operating activities	<hr/>	<hr/>
	496	(1,095)
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(849)	(202)
Purchase of treasury shares	(7)	-
Proceeds from investment in preference shares	-	1,450
Withdrawal/(Placement) of short-term investments	(1,578)	1,033
Net cash (used in)/generated from investing activities	<hr/>	<hr/>
	(2,434)	2,281
Cash Flows from Financing Activity		
Repayment of lease liabilities, representing net cash used in financing activity	(82)	(136)
Net (Decrease)/Increase in Cash and Cash Equivalents	(2,020)	1,050
Foreign exchange differences	(47)	(82)
Cash and Cash Equivalents at beginning of period	<hr/>	<hr/>
	13,018	10,266
Cash and Cash Equivalents at end of period	<hr/>	<hr/>
	10,951	11,234
Cash and Cash Equivalents at end of period comprise of the followings:-		
Cash and bank balances	<hr/>	<hr/>
	10,951	11,234
	<hr/>	<hr/>
	10,951	11,234

Note :

The Unaudited Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements outlined in the Malaysia Financial Reporting Standards (“MFRS”) 134 - Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa”).

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

The interim financial statements of the Group have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards (“IFRS”) and the Companies Act 2016 in Malaysia.

A2. Significant Accounting Policies

The accounting policies and presentation adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2022. The adoption of the new standards did not have any significant impact towards the Group.

Effective for financial periods beginning on or after 1 January 2023

MFRS 17 and Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9- Comparative Information

Effective for financial periods beginning on or after 1 January 2024

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Non-Current Liabilities with Covenants

Effective date deferred indefinitely

Amendments to MFRS 10 and MFRS 128	Sale of Contribution of Assets between an Investor and its Associate or Joint Venture
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A3. Auditors' Report

There were no audit qualifications on the annual audited financial statements of the Group for the financial year ended 31 December 2022.

A4. Seasonal or Cyclical Factors

The Group’s performance is affected by seasonal or cyclical factors on quarter-to-quarter basis; the demand may be skewed towards major festivities. This pattern is in line with the forecast and expectation of the Group.

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134

A5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter and financial year-to-date under review.

A6. Material Changes in Estimates

There were no changes in the estimate of amounts reported in the prior interim periods of the current financial year, or in previous years, which have material effect on the current quarter under review.

A7. Changes in Debts and Equity Securities

Save as disclosed below, there were no issuances, repurchases and repayment of debt and equity securities during the quarter ended 31 March 2023.

During the financial period, the Company bought back from the open market 100,000 ordinary shares of the Company (“CNH Shares”) at an average buy-back price of RM0.06 per share. The total consideration paid, including transaction costs, was RM6,036 and it was financed by internally generated funds. The CNH Shares bought back were being held as treasury shares in accordance with Section 127 of the Companies Act 2016.

As at 31 March 2023, the number of treasury shares held was 800,000 CNH Shares.

A8. Dividend Paid

There were no dividends paid during the current quarter under review.

A9. Segmental Reporting

The segmental revenue and results for the financial year-to-date under review are as follows:

	Current quarter		Year to-date	
	Revenue	Results	Revenue	Results
	31/03/2023	31/03/2023	31/03/2023	31/03/2023
	RM’000	RM’000	RM’000	RM’000
Marketing and trading	10,775	(85)	10,775	(85)
Manufacturing	6,233	(1,023)	6,233	(1,023)
Others	528	(61)	528	(61)
Inter-segment elimination	(2,752)	79	(2,752)	79
	14,784	(1,090)	14,784	(1,090)
Income tax		(180)		(180)
Non-controlling interests		113		113
Loss for the period		(1,157)		(1,157)

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134

A9. Segmental Reporting (cont’d)

The segmental revenue and results for the preceding year’s corresponding financial year-to-date are as follows:

	Current quarter		Year to-date	
	Revenue	Results	Revenue	Results
	31/03/2022	31/03/2022	31/03/2022	31/03/2022
	RM’000	RM’000	RM’000	RM’000
Marketing and trading	18,055	1,751	18,055	1,751
Manufacturing	7,677	(608)	7,677	(608)
Others	546	(304)	546	(304)
Inter-segment elimination	(4,524)	240	(4,524)	240
	21,754	1,079	21,754	1,079
Income tax		(282)		(282)
Non-controlling interests		93		93
Profit for the period		890		890

A10. Changes in the Composition of the Group

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

A11. Changes in Contingent Assets and Contingent Liabilities

As at the date of this announcement, there were no material changes in contingent assets and contingent liabilities of the Group since the last audited financial statements for the financial year ended 31 December 2022.

A12. Capital Commitment

The outstanding capital commitments as at the end of the financial period were as follows:

	As at 31.03.2023 RM’000
Capital expenditure approved and contracted for	48
Capital expenditure approved and not contracted for	2,562
	<u>2,610</u>

A13. Subsequent Material Events

There were no material events subsequent to the current quarter up to the date of the interim financial report.

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134

A14. Related Party Transactions

Related party transactions were summarised as follows:

	Current quarter RM'000	Cumulative quarter RM'000
<u>CNI Corporation Sdn Bhd</u>		
Management fee paid and payable	55	55
Trade purchase paid and payable	342	342
<u>CNI Venture Sdn Bhd</u>		
Research and development expenditure paid and payable	48	48
<u>CNI IPHC</u>		
Trademark fee paid and payable	66	66

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

(a) Results for current year quarter compared to corresponding quarter of the preceding year

The Group recorded revenue of RM14.78 million for the current quarter ended 31 March 2023 as compared to RM21.75 million in the previous year corresponding quarter, decreased by 32%.

	Current year quarter	Preceding Year Corresponding quarter	Changes %	Current year-to-date	Preceding Year Corresponding quarter	Changes %
	31/03/2023	31/03/2022		31/03/2023	31/03/2022	
	RM'000	RM'000		RM'000	RM'000	
Revenue	14,784	21,745	-32%	14,784	21,745	-32%
(Loss)/Profit Before Tax	(1,090)	1,079	>100%	(1,090)	1,079	>100%
(Loss)/Profit After Tax	(1,270)	797	>100%	(1,270)	797	>100%
(Loss)/Profit Attributable to Owners of the Company	(1,157)	890	>100%	(1,157)	890	>100%

The revenue from the marketing and trading segment decreased from RM18.06 million to RM10.78 million, a decrease of 40% as compared to the previous corresponding quarter. The decrease in revenue is primarily due to pre-price increase buy-up in November and December 2022 ahead of a scheduled product-specific price increase announced for January 2023, and a softer than expected rebound of purchases post buy-up and festive spending in the subsequent months.

Revenue contribution from the manufacturing segment decreased from RM7.68 million to RM6.23 million, a decrease of 19% as compared to the previous corresponding quarter. This was mainly attributable to low customer's orders.

Revenue contribution from the other segments i.e. investment holding, retail of food and beverage businesses were RM0.53 million.

(b) Results for Current YTD 2023 vs corresponding YTD 2022

The Group's revenue for the financial period ended 31 March 2023 was RM14.78 million, 32% decrease compared to the previous corresponding period per factors stated above in B1(a).

The Group's loss after tax for the financial period ended 31 March 2023 was RM1.27 million, mainly due low sales.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B2. Material Change in Loss before Taxation (LBT) of Current Quarter Compared with Immediate Preceding Quarter

The Group's LBT for the current quarter was RM1.09 million, compared to LBT of RM0.37 million in the immediate preceding quarter, mainly due to lower revenue.

	Current quarter	Immediate Preceding quarter	Changes %
	31/03/2023	31/12/2022	
	RM'000	RM'000	
Revenue	14,784	20,267	27%
Loss Before Tax	(1,090)	(366)	>100%

B3. Commentary on Prospects and Targets

We remain confident of our CBO's continued business building efforts and the relevance of our business model. We will focus resources to shore up our sales and marketing programmes and speed up new product introductions to spur consumption while continuing our efforts to increase digital adoption across all segments for our increasingly connected customers. In addition, we are also reviewing ongoing cost optimization initiatives to maximise the return on investment while generating new market demand.

We expect the manufacturing segment recovery to continue with our OEM/ODM customer's business in the post Covid19 environment.

B4. Profit Forecast and Profit Guarantee

The Group has not issued or disclosed in any public documents any profit forecast or profit guarantee for the current quarter under review.

B5. Taxation

The breakdown of tax charge for the current quarter and financial year-to-date were as follows:

	Current quarter	Year-to-date
	RM'000	RM'000
Income Tax Expense	<u>180</u>	<u>180</u>

The Malaysian income tax is calculated at the statutory tax rate of 24% of the estimated taxable profit for the financial year. The effective tax rate of the Group for the financial year was higher than the statutory tax rate mainly due to certain expenses not tax allowable.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B6. Corporate Proposals

Save as disclosed below, there were no corporate proposals announced but not completed as at 23 May 2023 (the latest practicable date which is not earlier than 7 days from the date of this quarterly report).

On 10 April 2023, the Board had announced that the Company intends to seek its shareholders' approval for the following proposals at the forthcoming Annual General Meeting of the Company:

1. Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature; and
2. Proposed Renewal of Authority for the Company to Purchase its Own Shares.

B7. Group Borrowings and Debt Securities

The details of the Group borrowings (denominated in Ringgit Malaysia and foreign currency) as at 31.03.2023 were as follow:

	Total
	RM'000
Secured	
Short-term borrowings	
Lease liabilities	1,090
Long-term borrowings	
Lease liabilities	935
	2,025

B8. Material Litigation

The Group is not engaged in any material litigation since the date of the last annual statement of financial position up to the date of issuance of this quarterly report.

B9. Proposed Dividend

There was no dividend proposed in the current quarter.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B10. Earnings per Share

(a) Earnings per share

The basic earnings per share for the current quarter and financial period-to-date are computed as follow:

	Individual Quarter		Cumulative Quarter	
	Current Quarter	Preceding Year Corresponding Quarter	Current Year to-date	Preceding Year Corresponding Period
(Loss)/Profit attributable to the owners of the Company (RM'000)	(1,157)	890	(1,157)	890
Weighted average number of ordinary shares in issue ('000)	720,000	720,000	720,000	720,000
Basic earnings per share (sen)	(0.16)	0.12	(0.16)	0.12

(b) Diluted earnings per share

There were no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the financial period.

B11. Loss for the period

Loss before tax is arrived at after charging/ (crediting) the following items:

	Current Quarter	Financial Year-to-date
	RM'000	RM'000
Amortisation of intangible assets	75	75
Depreciation of property, plant and equipment	424	424
Interest expenses	113	113
Interest income	(207)	(207)
Unrealised gain on foreign exchange	(33)	(33)

B12. Authorised for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 May 2023.