

CITRA NUSA HOLDINGS BERHAD (Formerly known as "CNI Holdings Berhad")
(198901004452)(181758-A)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		2021	2020	2021	2020
		CURRENT QUARTER 31/12/2021 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2020 RM'000	CURRENT YEAR TO DATE 31/12/2021 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2020 RM'000
Revenue	B1	19,425	17,220	74,045	67,418
Direct operating costs		(7,825)	(6,485)	(31,703)	(29,761)
Gross profit		11,600	10,735	42,342	37,657
Other income		372	424	1,568	1,904
Operating costs		(11,147)	(10,420)	(42,097)	(38,300)
Finance costs		(178)	(182)	(516)	(508)
Share of results of an associate		-	34	-	34
Profit before taxation	B2	647	591	1,297	787
Taxation	B5	(539)	42	(1,125)	(331)
Profit/(Loss) for the financial period		108	633	172	456
Other comprehensive income		(10)	(102)	45	66
Total comprehensive income for the financial period		98	531	217	522
Profit/(Loss) attributable to:					
Owners of the Company		109	484	393	614
Non-controlling interest		(1)	149	(221)	(158)
		108	633	172	456
Total comprehensive income attributable to:					
Owners of the Company		99	337	438	635
Non-controlling interest		(1)	194	(221)	(113)
		98	531	217	522
Weighted average number of shares in issue ('000)		720,000	712,905	720,000	712,905
Earnings per share (sen) - basic	B10	0.02	0.07	0.05	0.09
- diluted	B10	0.02	0.07	0.05	0.09

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 2020 and the accompanying explanatory notes attached to this interim financial report.

CITRA NUSA HOLDINGS BERHAD (Formerly known as "CNI Holdings Berhad")
(198901004452)(181758-A)
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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

Note	Unaudited AS AT 31/12/2021 RM'000	Audited AS AT 31/12/2020 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	32,081	33,821
Investment properties	5,019	2,424
Intangible asset	1,373	831
Other Investment	500	500
Deferred tax asset	535	550
Investment in preference shares	2,311	2,311
Trade receivables	1,678	2,393
	43,497	42,830
Current Assets		
Investment in preference shares	781	1,047
Inventories	15,306	13,649
Trade receivables	3,413	7,697
Other receivables, deposits and prepayments	1,647	2,716
Tax recoverable	123	152
Short-term investment	13,414	9,195
Cash and cash equivalents	9,333	9,133
	44,017	43,589
TOTAL ASSETS	87,514	86,419
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	72,000	72,000
Treasury shares	-	(1,725)
Exchange translation reserve	75	30
Legal capital reserve	178	178
Accumulated Loss	(933)	(1,326)
Total equity attributable to the Owners of the Company	71,320	69,157
Non-controlling interest	1,212	1,433
Total Equity	72,532	70,590
Non-current Liability		
Lease liabilities	B7 1,065	1,135
	1,065	1,135
Current Liabilities		
Trade payables	2,907	3,099
Other payables, deposits and accruals	9,869	10,388
Lease liabilities	B7 1,141	1,194
Tax Payable	0	13
	13,917	14,694
Total Liabilities	14,982	15,829
TOTAL EQUITY AND LIABILITIES	87,514	86,419
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 2020 and the accompanying explanatory notes attached to this interim financial report.

CITRA NUSA HOLDINGS BERHAD (Formerly known as "CNI Holdings Berhad")
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(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021

	Attributable to the Owners of the Company				Distributable Retained Earnings/ (Accumulated loss)	Non-Controlling interest	Total
	Non-distributable		Treasury Shares	Exchange translation reserve			
	Share Capital	Legal reserve					
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance as of 1 January 2021	72,000	178	(1,725)	30	(1,326)	1,433	70,590
Profit/(Loss) for the period	-	-	-	-	393	(221)	172
Other comprehensive income							
Foreign currency translation	-	-	-	45	-	-	45
Transactions with Owners of the Company							
Disposal of treasury shares	-	-	1,725	-	-	-	1,725
Total transactions with Owners of the Company	-	-	1,725	-	-	-	1,725
Balance as of 31 December 2021	72,000	178	-	75	(933)	1,212	72,532

	Attributable to the Owners of the Company				Distributable Retained Earnings/ (Accumulated loss)	Non-Controlling interest	Total
	Non-distributable		Treasury Shares	Exchange translation reserve			
	Share Capital	Legal reserve					
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance as of 1 January 2020	72,000	178	(1,725)	(128)	(1,910)	1,545	69,960
Profit/(Loss) for the period	-	-	-	-	614	(158)	456
Other comprehensive income							
Foreign currency translation	-	-	-	66	-	-	66
Transactions with Owners of the Company							
Disposal of a subsidiary	-	-	-	63	-	-	63
Total transactions with Owners of the Company	-	-	-	63	-	-	63
Balance as of 31 December 2020	72,000	178	(1,725)	1	(1,296)	1,387	70,545

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 2020 and the accompanying explanatory notes attached to this interim financial report.

CITRA NUSA HOLDINGS BERHAD (Formerly known as "CNI Holdings Berhad")
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(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021

	12 Months Ended 31/12/2021 RM'000	12 Months Ended 31/12/2020 RM'000
Cash Flows from Operating Activities		
Profit before tax	1,297	787
Adjustment for:		
Amortisation of intangible assets	245	135
Depreciation of property, plant and equipment	1,921	2,879
Interest expenses	479	508
Interest income	(428)	(305)
Inventories written down	(76)	731
Property, plant and equipment written off	250	-
Loss on disposal of treasury shares	172	-
Share of other comprehensive income of associate	-	(34)
Impairment on investment in preference shares	-	142
Fair value adjustment on investment properties	-	126
Loss on disposal of a subsidiary company	-	63
Unrealised gain/(loss) on foreign exchange currency	(12)	206
	3,848	5,238
Operating profit before working capital changes	3,848	5,238
Inventories	(1,581)	(758)
Receivables	3,687	3,579
Payables	(711)	(2,614)
	5,243	5,445
Cash generated from operations	5,243	5,445
Interest paid	(479)	(508)
Interest received	428	305
Tax paid	(1,094)	(519)
	4,098	4,723
Net cash generated from operating activities	4,098	4,723
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(468)	(1,175)
Purchase of intangible assets	(788)	(365)
Proceeds from disposal of property, plant and equipment	102	-
Proceeds from disposal of treasury shares	1,553	-
Placement of short-term investments	(4,219)	(2,037)
Net cash generated used in investing activities	(3,820)	(3,577)
Cash Flows from Financing Activity		
Repayment of lease liabilities, representing net cash used in financing activities	(123)	(510)
Repayment of retirement benefits	-	(200)
Net cash used in financing activities	(123)	(710)
Net Increase in Cash and Cash Equivalents	155	436
Foreign exchange differences	45	66
Cash and Cash Equivalents at beginning of period	9,133	8,569
Cash and Cash Equivalents at end of period	9,333	9,071
Cash and Cash Equivalents at end of period comprise of the followings:-		
Cash and bank balances	9,333	9,071
	9,333	9,071

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 2020 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 2020 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 2020. 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 2021

Amendments to MFRS 139, MFRS9, MFRS 7 and MFRS 16	Interest Rate Benchmark Reform - Phase 2
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Effective for financial periods beginning on or after 1 April 2020

Amendments to MFRS 16 Leases	Covid-19 Related Rent Concessions beyond 30 June 2021
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Effective for financial periods beginning on or after 1 January 2022

Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds Before Intended Use
Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract

Annual Improvements to MFRSs 2018 – 2020

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

A2. Significant Accounting Policies (Cont’d)

Effective for financial periods beginning on or after 1 January 2023

Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current
Amendments to MFRS 101 and Practice Statement 2	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Effective date to be announced

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 2020.

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 such as Hari Raya Puasa and Chinese New Year. This pattern is in line with the forecast and expectation of the Group.

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.

Unaudited Financial Results of the Group for Fourth Quarter Ended 31 December 2021

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

A7. Changes in Debts and Equity Securities

There were no issuances, repurchases and repayment of debt and equity securities during the quarter ended 31 December 2021.

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
	31/12/2021	31/12/2021	31/12/2021	31/12/2021
	RM'000	RM'000	RM'000	RM'000
Marketing and trading	16,647	1,889	62,084	5,219
Manufacturing	7,201	(632)	26,451	(2,545)
Others	550	(174)	2,050	(874)
Inter-segment elimination	(4,973)	(435)	(16,540)	(282)
	19,425	648	74,045	1,518
Income tax		(539)		(1,125)
Non-controlling interests		(1)		(221)
Profit for the period		108		172

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
	31/12/2020	31/12/2020	31/12/2020	31/12/2020
	RM'000	RM'000	RM'000	RM'000
Marketing and trading	14,517	1,351	54,493	3,080
Manufacturing	7,651	37	28,166	(1,928)
Others	556	128	2,245	798
Inter-segment elimination	(5,504)	(1,074)	(17,486)	(1,005)
	17,220	442	67,418	945
Income tax		42		(331)
Non-controlling interests		149		(158)
Profit for the period		633		456

Unaudited Financial Results of the Group for Fourth Quarter Ended 31 December 2021

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

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 2020.

A12. Capital Commitment

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

	As at 31.12.2021 RM’000
Capital expenditure approved and contracted for	71
Capital expenditure approved and not contracted for	1,480
	<u>1,551</u>

A13. Subsequent Material Events

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

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	91	339
Trade purchase paid and payable	337	1,111
Commission receivable	-	11
<u>CNI Venture Sdn Bhd</u>		
Research and development expenditure paid and payable	40	174
<u>CNI IPHC</u>		
Trademark fee paid and payable	63	248
<u>Yee Kee Bing</u>		
Provision of consultancy and management services	18	72

Unaudited Financial Results of the Group for Fourth Quarter Ended 31 December 2021

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 RM19.43 million for the current quarter ended 31 December 2021 as compared to RM17.22 million in the previous year corresponding quarter, increased by 13%.

	Current year quarter	Preceding Year Corresponding quarter	Changes %	Current year-to-date	Preceding Year Corresponding quarter	Changes %
	31/12/2021	31/12/2020		31/12/2021	31/12/2020	
	RM'000	RM'000		RM'000	RM'000	
Revenue	19,425	17,220	13%	74,045	67,418	10%
Profit/(Loss) Before Tax	647	591	9%	1,297	787	65%
Profit/(Loss) After Tax	108	633	(83%)	172	456	(62%)
Profit/(Loss) Attributable to Owners of the Company	109	484	(77%)	393	614	(36%)

The revenue from the marketing and trading segment increased from RM14.52 million to RM16.65 million, an increase of 15% as compared to the previous corresponding quarter. The increase in revenue is due to higher consumer demand for the products for this market segment.

Revenue contribution from the manufacturing segment decreased from RM7.65 million to RM7.20 million, a decrease of 6% as compared to the previous corresponding quarter. This was mainly attributable to lower sales as a result of restrictions imposed during the MCO 3.0 period.

Revenue contribution from the other segments i.e. investment holding, retail of food and beverage businesses were RM0.55 million.

(b) Results for Current YTD 2021 vs corresponding YTD 2020

The Group's revenue for the financial period ended 31 December 2021 was RM74.05 million, 10% higher than previous financial corresponding period. This was mainly due to higher consumer demand for the wellness products.

The Group's profit after tax for the financial period ended 31 December 2021 was RM0.18 million.

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

B2. Material Change in Profit before Taxation (“PBT”) of Current Quarter Compared with Immediate Preceding Quarter

The Group’s PBT for the current quarter was RM0.65 million, compared to PBT of RM0.32 million in the immediate preceding quarter, mainly due to higher cyclical impact.

	Current quarter	Immediate Preceding quarter	Changes %
	31/12/2021	30/09/2021	
	RM’000	RM’000	
Revenue	19,425	18,355	6%
Profit Before Tax	647	318	>100%

B3. Commentary on Prospects and Targets

The ongoing COVID-19 pandemic and the containment measures have posed an unprecedented challenge to the Malaysian economy. With the easing of the lockdown and economic activities reactivating, the challenging environment is now compounded by raw material supply issues and increasing logistics and supply chain costs. These are expected to continue into 2022 and we are cognizant of its impact.

Despite this challenging economic situation, we remain confident in our direct selling business and our products. We will leverage on the experience gained during the pandemic years to capitalise on the opportunities at hand especially in strengthening the adoption of internet technology.

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/ (credit) 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>539</u>	<u>1,125</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

There were no corporate proposals announced but not completed as at 21 February 2022 (the latest practicable date which is not earlier than 7 days from the date of this quarterly report).

B7. Group Borrowings and Debt Securities

The details of the Group borrowings (denominated in Ringgit Malaysia and foreign currency) as at 31.12.2021 were as follow:

	Total
	RM'000
<u>Secured</u>	
Short-term borrowings	
Lease liabilities	1,141
Long-term borrowings	
Lease liabilities	1,065
	2,206

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
Profit attributable to the owners of the Company (RM'000)	109	484	393	614
Weighted average number of ordinary shares in issue ('000)	720,000	712,905	720,000	712,905
Basic earnings per share (sen)	0.02	0.07	0.05	0.09

(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. Profit/(Loss) for the period

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

	Current Quarter RM'000	Financial Year-to-date RM'000
Amortisation of intangible assets	38	245
Depreciation of property, plant and equipment	442	1,921
Interest expenses	141	479
Inventories written down	38	76
Property, plant and equipment written off	240	250
Loss on disposal of treasury shares	-	172
Interest income	(112)	(185)
Unrealised gain on foreign exchange	35	(12)

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

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 28 February 2022.