

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

|   | Note | INDIVIDUAL QUARTER   |                                      | CUMULATIVE QUARTER   |                                     |
|---|------|----------------------|--------------------------------------|----------------------|-------------------------------------|
|   |      | 2021                 | 2020                                 | 2021                 | 2020                                |
|   |      | CURRENT QUARTER      | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE | PRECEDING YEAR CORRESPONDING PERIOD |
|   |      | 31/03/2021<br>RM'000 | 31/03/2020<br>RM'000                 | 31/03/2021<br>RM'000 | 31/03/2020<br>RM'000                |
| Revenue   | B1   | 18,056               | 16,168                               | 18,056               | 16,168                              |
| Direct operating costs                              |      | (7,744)              | (8,577)                              | (7,744)              | (8,577)                             |
| Gross profit  |      | 10,312               | 7,591                                | 10,312               | 7,591                               |
| Other income  |      | 217                  | 508                                  | 217                  | 508                                 |
| Operating costs                                     |      | (10,266)             | (8,843)                              | (10,266)             | (8,843)                             |
| Finance costs                                       |      | (109)                | (119)                                | (109)                | (119)                               |
| Share of results of an associate                    |      | -                    | -                                    | -                    | -                                   |
| Profit/(Loss) before taxation                       | B2   | 154                  | (863)                                | 154                  | (863)                               |
| Taxation  | B5   | (150)                | (137)                                | (150)                | (137)                               |
| Profit/(Loss) for the financial period              |      | 4                    | (1,000)                              | 4                    | (1,000)                             |
| Other comprehensive income                          |      | (43)                 | 160                                  | (43)                 | 160                                 |
| Total comprehensive income for the financial period |      | (39)                 | (840)                                | (39)                 | (840)                               |
| Profit/(Loss) attributable to:                      |      |                      |                                      |                      |                                     |
| Owners of the Company                               |      | 185                  | (890)                                | 185                  | (890)                               |
| Non-controlling interest                            |      | (181)                | (110)                                | (181)                | (110)                               |
|   |      | 4                    | (1,000)                              | 4                    | (1,000)                             |
| Total comprehensive income attributable to:         |      |                      |                                      |                      |                                     |
| Owners of the Company                               |      | 142                  | (730)                                | 142                  | (730)                               |
| Non-controlling interest                            |      | (181)                | (110)                                | (181)                | (110)                               |
|   |      | (39)                 | (840)                                | (39)                 | (840)                               |
| Weighted average number of shares in issue ('000)   |      | 712,905              | 712,905                              | 712,905              | 712,905                             |
| Earnings/(loss) per share (sen) - basic             | B10  | 0.03                 | (0.12)                               | 0.03                 | (0.12)                              |
| - diluted   | B10  | 0.03                 | (0.12)                               | 0.03                 | (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 2020 and the accompanying explanatory notes attached to this interim financial report.

**CNI HOLDINGS BERHAD (198901004452)(181758-A)**  
(Incorporated in Malaysia under the Companies Act, 1965)  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2021**

| Note  | Unaudited<br>AS AT 31/03/2021<br>RM'000 | Audited<br>AS AT 31/12/2020<br>RM'000 |
|---|---|---------------------------------------|
| <b>ASSETS</b>   |   |                                       |
| <b>Non-current Assets</b>                                       |   |                                       |
| Property, plant and equipment                                   | 33,142                                  | 33,821                                |
| Investment properties   | 2,424                                   | 2,424                                 |
| Intangible asset  | 1,489                                   | 831                                   |
| Other Investment  | 500                                     | 500                                   |
| Deferred tax asset  | 535                                     | 550                                   |
| Investment in preference shares                                 | 2,311                                   | 2,311                                 |
| Trade receivables   | 2,393                                   | 2,393                                 |
|   | <u>42,794</u>                           | <u>42,830</u>                         |
| <b>Current Assets</b>   |   |                                       |
| Investment in preference shares                                 | 1,047                                   | 1,047                                 |
| Inventories   | 13,917                                  | 13,649                                |
| Trade receivables   | 5,299                                   | 7,697                                 |
| Other receivables, deposits and prepayments                     | 2,047                                   | 2,716                                 |
| Tax recoverable   | 121                                     | 152                                   |
| Short-term investment   | 7,316                                   | 9,195                                 |
| Cash and cash equivalents                                       | 10,957                                  | 9,133                                 |
|   | <u>40,704</u>                           | <u>43,589</u>                         |
| <b>TOTAL ASSETS</b>   | <u>83,498</u>                           | <u>86,419</u>                         |
| <b>EQUITY AND LIABILITIES</b>                                   |   |                                       |
| <b>Capital and Reserves</b>                                     |   |                                       |
| Share capital   | 72,000                                  | 72,000                                |
| Treasury shares   | (1,725)                                 | (1,725)                               |
| Exchange translation reserve                                    | (13)                                    | 30                                    |
| Legal capital reserve   | 178                                     | 178                                   |
| Accumulated Loss  | (1,141)                                 | (1,326)                               |
| <b>Total equity attributable to the Owners of the Company</b>   | <u>69,299</u>                           | <u>69,157</u>                         |
| Non-controlling interest  | 1,252                                   | 1,433                                 |
| <b>Total Equity</b>   | <u>70,551</u>                           | <u>70,590</u>                         |
| <b>Non-current Liability</b>                                    |   |                                       |
| Lease liabilities   | B7 1,131                                | 1,135                                 |
|   | <u>1,131</u>                            | <u>1,135</u>                          |
| <b>Current Liabilities</b>                                      |   |                                       |
| Trade payables  | 2,300                                   | 3,099                                 |
| Other payables, deposits and accruals                           | 8,740                                   | 10,388                                |
| Lease liabilities   | B7 776                                  | 1,194                                 |
| Tax Payable   | 0                                       | 13                                    |
|   | <u>11,816</u>                           | <u>14,694</u>                         |
| <b>Total Liabilities</b>  | <u>12,947</u>                           | <u>15,829</u>                         |
| <b>TOTAL EQUITY AND LIABILITIES</b>                             | <u>83,498</u>                           | <u>86,419</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 2020 and the accompanying explanatory notes attached to this interim financial report.

**CNI HOLDINGS BERHAD (198901004452)(181758-A)**  
(Incorporated in Malaysia under the Companies Act, 1965)  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

|                                     | ← Attributable to the Owners of the Company → |            |                |              |                | Non-Distributable | Distributable | Non-Controlling | Total |          |
|-------------------------------------|---|------------|----------------|--------------|----------------|-------------------|---------------|-----------------|-------|----------|
|                                     | Share   | Legal      | Treasury       | Exchange     | Retained       |                   |               |                 |       | interest |
|                                     |   | Capital    |                |              |                |                   |               |                 |       |          |
|                                     | reserve                                       | Shares     | reserve        | (Accumulated | loss)          | Total             |               |                 |       |          |
|                                     | RM'000  | RM'000     | RM'000         | RM'000       | RM'000         | RM'000            | RM'000        | RM'000          |       |          |
| <b>Balance as of 1 January 2021</b> | 72,000  | 178        | (1,725)        | 30           | (1,326)        | 1,433             | 70,590        |                 |       |          |
| Profit/(Loss) for the period        | -   | -          | -              | -            | 185            | (181)             | 4             |                 |       |          |
| <b>Other comprehensive income</b>   |   |            |                |              |                |                   |               |                 |       |          |
| Foreign currency translation        | -   | -          | -              | (43)         | -              | -                 | (43)          |                 |       |          |
| <b>Balance as of 31 March 2021</b>  | <u>72,000</u>                                 | <u>178</u> | <u>(1,725)</u> | <u>(13)</u>  | <u>(1,141)</u> | <u>1,252</u>      | <u>70,551</u> |                 |       |          |

|                                     | ← Attributable to the Owners of the Company → |            |                |              |                | Non-Distributable | Distributable | Non-Controlling | Total |          |
|-------------------------------------|---|------------|----------------|--------------|----------------|-------------------|---------------|-----------------|-------|----------|
|                                     | Share   | Legal      | Treasury       | Exchange     | Retained       |                   |               |                 |       | interest |
|                                     |   | Capital    |                |              |                |                   |               |                 |       |          |
|                                     | reserve                                       | Shares     | reserve        | (Accumulated | loss)          | Total             |               |                 |       |          |
|                                     | RM'000  | RM'000     | RM'000         | RM'000       | RM'000         | RM'000            | RM'000        |                 |       |          |
| <b>Balance as of 1 January 2020</b> | 72,000  | 178        | (1,725)        | (128)        | (1,910)        | 1,545             | 69,960        |                 |       |          |
| Loss for the period                 | -   | -          | -              | -            | (890)          | (110)             | (1,000)       |                 |       |          |
| <b>Other comprehensive income</b>   |   |            |                |              |                |                   |               |                 |       |          |
| Foreign currency translation        | -   | -          | -              | 160          | -              | -                 | 160           |                 |       |          |
| <b>Balance as of 31 March 2020</b>  | <u>72,000</u>                                 | <u>178</u> | <u>(1,725)</u> | <u>32</u>    | <u>(2,800)</u> | <u>1,435</u>      | <u>69,120</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 2020 and the accompanying explanatory notes attached to this interim financial report.

**CNI HOLDINGS BERHAD** (198901004452)(181758-A)  
(Incorporated in Malaysia under the Companies Act, 1965)  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

|  | <b>3 Months<br/>Ended<br/>31/03/2021<br/>RM'000</b> | <b>3 Months<br/>Ended<br/>31/03/2020<br/>RM'000</b> |
|--|---|---|
| <b>Cash Flows from Operating Activities</b>  |   |   |
| Profit/(Loss) before tax   | 154   | (863)   |
| Adjustment for:  |   |   |
| Amortisation of intangible assets  | 61  | 32  |
| Depreciation of property, plant and equipment                                      | 496   | 538   |
| Interest expenses  | 109   | 119   |
| Interest income  | (31)  | (87)  |
| Inventories written down   | (8)   | (9)   |
| Property, plant and equipment written off  | 10  | -   |
| Provision of retirement benefit expense  | -   | 13  |
| Unrealised gain on foreign exchange currency                                       | (63)  | (298)   |
|  | <hr/>   | <hr/>   |
| Operating profit/(loss) before working capital changes                             | 728   | (555)   |
| Inventories  | (276)   | (1,412)   |
| Receivables  | 3,130   | (295)   |
| Payables   | (2,186)   | 2,268   |
|  | <hr/>   | <hr/>   |
| Cash generated from operations   | 1,396   | 6   |
| Interest paid  | (109)   | (119)   |
| Interest received  | 31  | 87  |
| Tax paid   | (117)   | (260)   |
|  | <hr/>   | <hr/>   |
| Net cash generated from/(used in) operating activities                             | 1,201   | (286)   |
| <b>Cash Flows from Investing Activities</b>  |   |   |
| Purchase of property, plant and equipment  | (174)   | (307)   |
| Purchase of intangible assets  | (719)   | (176)   |
| Proceeds from disposal of property, plant and equipment                            | 102   | -   |
| Withdrawal/(Placement) of short-term investments                                   | 1,879   | (716)   |
| Net cash used in investing activities  | 1,088   | (1,199)   |
|  | <hr/>   | <hr/>   |
| <b>Cash Flows from Financing Activity</b>  |   |   |
| Repayment of lease liabilities, representing net cash used in financing activities | (422)   | (135)   |
|  | <hr/>   | <hr/>   |
| <b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>                        | 1,867   | (1,620)   |
| <b>Foreign exchange differences</b>  | (43)  | 160   |
| <b>Cash and Cash Equivalents at beginning of period</b>                            | 9,133   | 8,569   |
|  | <hr/>   | <hr/>   |
| <b>Cash and Cash Equivalents at end of period</b>                                  | <u>10,957</u>                                       | <u>7,109</u>  |
|  | <hr/>   | <hr/>   |
| Cash and Cash Equivalents at end of period comprise of the followings:-            |   |   |
| Cash and bank balances   | 10,957  | 7,109   |
|  | <hr/>   | <hr/>   |
|  | <u>10,957</u>                                       | <u>7,109</u>  |

**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 these adopted for the audited financial statements of the Group for the financial year ended 31 December 2020.

**Effective for financial periods beginning on or after 1 June 2020**

|                       |                                   |
|-----------------------|-----------------------------------|
| Amendments to MFRS 16 | Covid-19 Related Rent Concessions |
|-----------------------|-----------------------------------|

**Effective for financial periods beginning on or after 1 January 2021**

|  |  |
|--|--|
| Amendments to MFRS 9, MFRS 7<br>MFRS 4 and MFRS 16 | Interest Rate Benchmark Reform - Phase 2 |
|--|--|

**Effective for financial periods beginning on or after 1 April 2020**

|                              |  |
|------------------------------|--|
| Amendments to MFRS 16 Leases | Covid-19 Related Rent Concessions beyond<br>30 June 2021 |
|------------------------------|--|

**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<br>Before Intended Use |
| Amendments to MFRS 137 | Onerous Contracts – Cost of Fulfilling a<br>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**

|   |   |
|---|---|
| MFRS 17   | Insurance Contracts                                     |
| Amendments to MFRS 17                           | Insurance Contracts                                     |
| 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                      |

**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 |
|------------------------------------|---|

**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**

Save as disclosed below, 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**

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

As at 31 March 2021, the number of treasury shares held was 7,357,100 CNI Shares.

**CNI Holdings Berhad** (Company No.: 198901004452 (181758-A))

Unaudited Financial Results of the Group for First Quarter Ended 31 March 2021

**A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134****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    |
|                           | 31/03/2021      | 31/03/2021 | 31/03/2021   | 31/03/2021 |
|                           | RM'000          | RM'000     | RM'000       | RM'000     |
| Marketing and trading     | 15,297          | 1,111      | 15,297       | 1,111      |
| Manufacturing             | 5,123           | (1,371)    | 5,123        | (1,371)    |
| Others                    | 539             | (207)      | 539          | (207)      |
| Inter-segment elimination | (2,903)         | 621        | (2,903)      | 621        |
|                           | 18,056          | 154        | 18,056       | 154        |
| Income tax                |                 | (150)      |              | (150)      |
| Non-controlling interests |                 | 181        |              | 181        |
| Profit for the period     |                 | 185        |              | 185        |

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    |
|                           | 31/03/2020      | 31/03/2020 | 31/03/2020   | 31/03/2020 |
|                           | RM'000          | RM'000     | RM'000       | RM'000     |
| Marketing and trading     | 11,939          | (8)        | 11,939       | (8)        |
| Manufacturing             | 6,733           | (1,034)    | 6,733        | (1,034)    |
| Others                    | 653             | (112)      | 653          | (112)      |
| Inter-segment elimination | (3,157)         | 291        | (3,157)      | 291        |
|                           | 16,168          | (863)      | 16,168       | (863)      |
| Income tax                |                 | (137)      |              | (137)      |
| Non-controlling interests |                 | 110        |              | 110        |
| Loss 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.

**CNI Holdings Berhad** (Company No.: 198901004452 (181758-A))Unaudited Financial Results of the Group for First Quarter Ended 31 March 2021

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

|   | <b>As at<br/>31.03.2021<br/>RM'000</b> |
|---|--|
| Capital expenditure approved and contracted for     | 362                                    |
| Capital expenditure approved and not contracted for | 1,189                                  |
|   | <u>1,551</u>                           |

**A13. Subsequent Material Events**

Save as disclosed below, there were no material events subsequent to the current quarter up to the date of the interim financial report.

On 13 April 2021, the Company resold the purchased shares held as Treasury Shares of 7,357,100 ordinary shares of the Company at a total consideration received of RM1,529,449.23.

**A14. Related Party Transactions**

Related party transactions were summarised as follows:

|   | <b>Current<br/>quarter<br/>RM'000</b> | <b>Cumulative<br/>quarter<br/>RM'000</b> |
|---|---------------------------------------|--|
| <b><u>CNI Corporation Sdn Bhd</u></b>                 |                                       |  |
| Management fee paid and payable                       | 78                                    | 78                                       |
| Trade purchase paid and payable                       | 30                                    | 30                                       |
| Commission receivable                                 | 3                                     | 3  |
| <b><u>CNI Venture Sdn Bhd</u></b>                     |                                       |  |
| Research and development expenditure paid and payable | 42                                    | 42                                       |
| <b><u>CNI IPHC</u></b>                                |                                       |  |
| Trademark fee paid and payable                        | 61                                    | 61                                       |
| <b><u>Yee Kee Bing</u></b>                            |                                       |  |
| Provision of consultancy and management services      | 17                                    | 17                                       |



**CNI Holdings Berhad** (Company No.: 198901004452 (181758-A))

Unaudited Financial Results of the Group for First Quarter Ended 31 March 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 RM18.06 million for the current quarter ended 31 March 2021 as compared to RM16.20 million in the previous year corresponding quarter, increased by 12%.

|   | Current year quarter | Preceding Year Corresponding quarter | Changes % | Current year-to-date | Preceding Year Corresponding quarter | Changes % |
|---|----------------------|--------------------------------------|-----------|----------------------|--------------------------------------|-----------|
|   | 31/03/2021           | 31/03/2020                           |           | 31/03/2021           | 31/03/2020                           |           |
|   | RM'000               | RM'000                               |           | RM'000               | RM'000                               |           |
| Revenue   | 18,056               | 16,168                               | 12%       | 18,056               | 16,168                               | 12%       |
| Profit/(Loss) Before Tax                            | 154                  | (863)                                | >100%     | 154                  | (863)                                | >100%     |
| Profit/(Loss) After Tax                             | 4                    | (1,000)                              | >100%     | 4                    | (1,000)                              | >100%     |
| Profit/(Loss) Attributable to Owners of the Company | 185                  | (890)                                | >100%     | 185                  | (890)                                | >100%     |

The revenue from the marketing and trading segment increased from RM11.94 million to RM15.29 million, an increase of 28% 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 RM6.73 million to RM5.12 million, a decrease of 24% as compared to the previous corresponding quarter. This was mainly attributable to lower local sales.

Revenue contribution from the other segments i.e. investment holding, retail of food and beverage businesses were RM0.54 million.

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

The Group's revenue for the financial period ended 31 March 2021 was RM18.06 million, 12% 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 March 2021 was RM4,000.

**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 RM0.15 million, compared to PBT of RM0.59 million in the immediate preceding quarter, mainly due to lower cyclical impact.

|                   | <b>Current<br/>quarter</b> | <b>Immediate<br/>Preceding<br/>quarter</b> | <b>Changes<br/>%</b> |
|-------------------|----------------------------|--|----------------------|
|                   | <b>31/03/2021</b>          | <b>31/12/2020</b>                          |                      |
|                   | <b>RM’000</b>              | <b>RM’000</b>                              |                      |
| Revenue           | 18,056                     | 17,220                                     | 5%                   |
| Profit Before Tax | 154                        | 591  | -74%                 |

**B3. Commentary on Prospects and Targets**

The ongoing COVID-19 pandemic outbreak and the containment measures have posed an unprecedented challenge to the Malaysia economy.

Despite a challenging economic situation caused by the pandemic, we do see opportunity in our direct selling business as more people looking to earn supplemental incomes and procure health care products.

We will leverage on the momentum build up and experience gained during the year 2020, so as to continue to strengthen the adoption of internet technology towards the new direct sales model.

We will expand into the Beauty market segment through the launch of Myraz. We are confident that this will attract a younger crowd which will complement well our existing segment. Further strengthening the foundation and opportunity for our independent CNI Business Owners.

**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:

|          | <b>Current<br/>quarter<br/>RM’000</b> | <b>Year-to-date<br/>RM’000</b> |
|----------|---------------------------------------|--------------------------------|
| Taxation | 150                                   | 150                            |

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**CNI Holdings Berhad** (Company No.: 198901004452 (181758-A))

Unaudited Financial Results of the Group for First Quarter Ended 31 March 2021

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**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 21 May 2021 (the latest practicable date which is not earlier than 7 days from the date of this quarterly report).

At the 32nd Annual General Meeting of the Company held on 11 May 2021, the resolutions in respect of the following were approved by the shareholders of the Company:

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

**B7. Group Borrowings and Debt Securities**

The details of the Group borrowings (denominated in Ringgit Malaysia and foreign currency) as at 31.03.2021 were as follow:

|                       | <b>Total</b>  |
|-----------------------|---------------|
|                       | <b>RM'000</b> |
| <u>Secured</u>        |               |
| Short-term borrowings |               |
| Lease liabilities     | 776           |
|                       |               |
| Long-term borrowings  |               |
| Lease liabilities     | 1,131         |
|                       | 1,907         |

**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.

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**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:

|  | <b>Individual Quarter</b> |   | <b>Cumulative Quarter</b>   |  |
|--|---------------------------|---|-----------------------------|--|
|  | <b>Current Quarter</b>    | <b>Preceding Year Corresponding Quarter</b> | <b>Current Year to-date</b> | <b>Preceding Year Corresponding Period</b> |
| Profit/(Loss) attributable to the owners of the Company (RM'000) | 185                       | (890)                                       | 185                         | (890)                                      |
| Weighted average number of ordinary shares in issue ('000)       | 712,905                   | 712,905                                     | 712,905                     | 712,905                                    |
| Basic earnings/(loss) per share (sen)                            | 0.03                      | (0.12)                                      | 0.03                        | (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. Profit/(Loss) for the period**

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

|   | <b>Current Quarter</b> | <b>Financial Year-to-date</b> |
|---|------------------------|-------------------------------|
|   | <b>RM'000</b>          | <b>RM'000</b>                 |
| Amortisation of intangible assets             | 61                     | 61                            |
| Depreciation of property, plant and equipment | 496                    | 496                           |
| Interest expenses                             | 109                    | 109                           |
| Inventories written down                      | 8                      | 8                             |
| Property, plant and equipment written off     | 10                     | 10                            |
| Interest income                               | (31)                   | (31)                          |
| Unrealised gain on foreign exchange           | (63)                   | (63)                          |

**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 May 2021.