

CNI HOLDINGS BERHAD
(Company No : 181758-A)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR FIRST QUARTER ENDED 31 MARCH 2016**

	Note	Individual Period		Cumulative Period	
		31.03.2016	31.03.2015	31.03.2016	31.03.2015
		Unaudited RM '000	Unaudited RM '000	Unaudited RM '000	Unaudited RM '000
Operating revenue		23,108	25,254	23,108	25,254
Direct operating costs		(9,184)	(9,582)	(9,184)	(9,582)
Gross profit		13,924	15,672	13,924	15,672
Other operating revenue	B4	(261)	711	(261)	711
Other operating costs		(15,355)	(14,822)	(15,355)	(14,822)
Finance costs		(3)	(1)	(3)	(1)
Depreciation & amortisation		(529)	(554)	(529)	(554)
		(2,224)	1,006	(2,224)	1,006
Share of results of associates		(235)	(518)	(235)	(518)
(Loss)/Profit before taxation		(2,459)	488	(2,459)	488
Taxation		795	(314)	795	(314)
(Loss)/Profit net of taxation		(1,664)	174	(1,664)	174
Other comprehensive (loss)/income					
Foreign currency translation		617	(21)	617	(21)
Total comprehensive (loss)/income for the period		(1,047)	153	(1,047)	153
(Loss)/Profit attributable to :					
Equity holders of the Company		(1,533)	126	(1,533)	126
Non-controlling interests		(131)	48	(131)	48
		(1,664)	174	(1,664)	174

CNI HOLDINGS BERHAD
(Company No : 181758-A)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME**
FOR FIRST QUARTER ENDED 31 MARCH 2016 (Continued)

	Individual Period		Cumulative Period	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	Unaudited	Unaudited	Unaudited	Unaudited
	RM '000	RM '000	RM '000	RM '000
Total comprehensive (loss)/profit attributable to :				
Equity holders of the Company	(916)	105	(916)	105
Non-controlling interests	(131)	48	(131)	48
	(1,047)	153	(1,047)	153
Earnings per share (sen)				
Basic	(0.21)	0.02	(0.21)	0.02
Diluted	NA	NA	NA	NA

Notes :-

1) NA denotes "Not Applicable"

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the explanatory notes attached to the interim financial statements.

CNI HOLDINGS BERHAD
(Company No : 181758-A)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2016

	Unaudited	Audited
	As at	As at
	31.03.2016	31.12.2015
	RM '000	RM '000
	<hr/>	<hr/>
ASSETS		
Non-current assets		
Property, plant and equipment	35,274	35,891
Investment properties	1,400	1,400
Investment in associate company	2,676	2,911
Investment in unquoted shares	1,254	1,254
Investment in preference share	3,500	3,500
Other intangible assets	1,893	1,990
Goodwill	200	200
Deferred tax assets	2,206	1,595
	<hr/>	<hr/>
	48,403	48,741
Current assets		
Inventories	14,473	14,357
Trade receivables	14,410	13,091
Other receivables, deposits and prepayments	3,599	5,415
Investments	9,230	13,167
Tax assets	320	629
Cash and bank balances	12,130	12,838
	<hr/>	<hr/>
	54,162	59,497
	<hr/>	<hr/>
TOTAL ASSETS	102,565	108,238
	<hr/>	<hr/>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	72,000	72,000
Treasury shares	(1,679)	(1,674)
Retained earnings	12,262	13,795
Other reserves	(711)	(1,328)
	<hr/>	<hr/>
	81,872	82,793
Non-controlling interests	855	986
	<hr/>	<hr/>
Total Equity	82,727	83,779
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CNI HOLDINGS BERHAD
(Company No : 181758-A)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2016 (Continued)

	Unaudited	Audited
	As at	As at
	31.03.2016	31.12.2015
	RM '000	RM '000
	<hr/>	<hr/>
Non-current liabilities		
Borrowings	38	44
Retirement benefits	7,022	6,823
Deferred tax liabilities	1,434	1,764
	<hr/>	<hr/>
	8,494	8,631
	<hr/>	<hr/>
Current liabilities		
Trade payables	1,935	3,392
Other payables, deposits and accruals	9,371	12,367
Provision and contingent liabilities	14	41
Borrowings	24	28
	<hr/>	<hr/>
	11,344	15,828
	<hr/>	<hr/>
Total liabilities	19,838	24,459
	<hr/>	<hr/>
TOTAL EQUITY AND LIABILITES	102,565	108,238
	<hr/>	<hr/>
Net Assets	82,727	83,779
Net assets per share (RM)	0.12	0.12

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the explanatory notes attached to the interim financial statements.

CNI HOLDINGS BERHAD

(Company No : 181758-A)

AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2016

	← Non Distributable →			Distributable		Total Equity
	Share Capital	Treasury Shares	Currency Translation Reserve	Retained Earnings	Non-controlling Interests	
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
As at 1 January 2015	72,000	(1,663)	(352)	22,709	134	92,828
Comprehensive loss						
Loss for the year	-	-	-	(6,163)	78	(6,085)
Other comprehensive income/(loss)						
Foreign currency translation	-	-	(976)	223	-	(753)
Total comprehensive loss for the year	-	-	(976)	(5,940)	78	(6,838)
Transactions with owners						
Share repurchased	-	(11)	-	-	-	(11)
Reclassification	-	-	-	(834)	834	-
Dividends paid on shares	-	-	-	(2,140)	(60)	(2,200)
Total transactions with owners	-	(11)	-	(2,974)	774	(2,211)
As at 31 December 2015	72,000	(1,674)	(1,328)	13,795	986	83,779
	72,000	(1,674)	(1,328)	13,795	986	83,779

CNI HOLDINGS BERHAD

(Company No : 181758-A)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2016

	← Non Distributable →			Distributable		Total Equity
	Share Capital	Treasury Shares	Currency Translation Reserve	Retained Earnings	Non-controlling Interests	
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
As at 1 January 2016	72,000	(1,674)	(1,328)	13,795	986	83,779
Comprehensive income						
Loss for the period	-	-	-	(1,533)	(131)	(1,664)
Other comprehensive loss						
Defined benefit plan actuarial gain	-	-	-	-	-	-
Foreign currency translation	-	-	617	-	-	617
Total comprehensive income/(loss) for the period	-	-	617	(1,533)	(131)	(1,047)
Transactions with owners						
Purchase of treasury shares	-	(5)	-	-	-	(5)
Interim dividends	-	-	-	-	-	-
Total transactions with owners	-	(5)	-	-	-	(5)
As at 31 March 2016	72,000	(1,679)	(711)	12,262	855	82,727

The condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the explanatory notes attached to the interim financial statements

CNI HOLDINGS BERHAD
(Company No : 181758-A)

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016

	31.03.2016	31.03.2015
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Cash Flows from Operating Activities		
(Loss)/Profit before taxation	(2,459)	488
Adjustments for:-		
Amortisation of intangible assets	130	152
Depreciation of property, plant and equipment	562	632
Interest expenses	3	1
Interest revenue	(73)	(39)
Inventories written off	53	10
Investment income	(129)	(150)
Property, plant and equipment written off	19	36
Reversal for employee benefits expenses	(56)	(86)
Retirement benefits expense	78	79
Share of loss of associated companies	236	518
Unrealised loss/(gain) on foreign exchange	824	(315)
Operating (loss)/profit before working capital changes	<u>(812)</u>	<u>1,326</u>
Increase in inventories	(165)	(1,062)
(Increase)/Decrease in receivables	(1,342)	1,772
Increase in payables	(3,473)	(930)
Cash (used in)/generated from operations	<u>(5,792)</u>	<u>1,106</u>
Interest paid	(3)	(1)
Interest received	73	39
Tax paid	-	(192)
Tax refund	308	459
Net cash (used in)/ from operating activities	<u>(5,414)</u>	<u>1,411</u>

CNI HOLDINGS BERHAD
(Company No : 181758-A)

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2016 (Continued)

	31.03.2016	31.03.2015
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Cash Flows from Investing Activities		
Net cash outflow on acquisition of subsidiary company	-	(1)
Investment income	129	150
Purchase of property, plant and equipment	(73)	(537)
Purchase of intangible assets	-	(252)
Proceeds from disposal of property, plant and equipment	2	66
Proceeds from disposal of other intangible asset	-	237
Investment in associate companies	-	(548)
Net cash from/(used in) investing activities	<u>58</u>	<u>(885)</u>
Cash Flows from Financing Activities		
Repayment of term loans	-	(4)
Purchase of treasury shares	(5)	(4)
Repayment of hire purchase liabilities	(11)	(5)
Dividend paid	-	-
Net cash used in financing activities	<u>(16)</u>	<u>(13)</u>
Effect of exchange rate changes	726	(18)
Net (decrease)/increase in cash and cash equivalent	(4,645)	495
Cash and cash equivalent at beginning of the financial year	<u>26,005</u>	<u>29,670</u>
Cash and cash equivalent at end of the financial year	<u>21,360</u>	<u>30,165</u>

The condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the explanatory notes attached to the interim financial statement

NOTES TO THE INTERIM FINANCIAL STATEMENTS

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 requirements of MFRS 134: Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

These financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015. The explanatory notes attached to the 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 31 December 2015.

A2. Significant Accounting Policies

MFRSs and Amendments to MFRSs issued but not yet effective

At the date of authorisation of these interim financial statements, the following MFRSs and Amendments to MFRSs were issued but not yet effective and have not been applied by the Group:

		Effective for financial periods beginning on or after
<u>New MFRSs</u>		
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 16	Leases	1 January 2019
<u>Amendments/Improvements to MFRSs</u>		
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2016
MFRS 7	Financial Instruments: Disclosures	1 January 2016
MFRS 10	Consolidated Financial Statements	1 January 2016
MFRS 11	Joint Arrangements	1 January 2016

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

Unaudited Financial Results of the Group for First Quarter Ended 31 March 2016

A2. Significant Accounting Policies (Continued)

MFRSs and Amendments to MFRSs issued but not yet effective (Continued)

At the date of authorisation of these interim financial statements, the following MFRSs and Amendments to MFRSs were issued but not yet effective and have not been applied by the Group:

		Effective for financial periods beginning on or after
<u>Amendments/Improvements to MFRSs (Continued)</u>		
MFRS 12	Disclosure of Interests in Other Entities	1 January 2016
MFRS 101	Presentation of Financial Statements	1 January 2016
MFRS 107	Statement of Cash Flows	1 January 2017
MFRS 112	Income Taxes	1 January 2017
MFRS 116	Property, Plant and Equipment	1 January 2016
MFRS 119	Employee Benefits	1 January 2016
MFRS 127	Separate Financial Statements	1 January 2016
MFRS 128	Investments in Associates and Joint Ventures	1 January 2016
MFRS 138	Intangible Assets	1 January 2016
MFRS 141	Agriculture	1 January 2016

A3. Comments about 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.

A4. Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter and cumulative period ended 31 March 2016.

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

Unaudited Financial Results of the Group for First Quarter Ended 31 March 2016

A5. Changes in Estimates

There were no material changes in estimates that have had any material effect in the current quarter and cumulative period ended 31 March 2016.

A6. Debts and Equity Securities

Save as disclosed below, there were no issuances, repurchases and repayments of debt and equity securities during the quarter and cumulative period ended 31 March 2016:

The company bought back from the open market, 49,000 ordinary shares of RM0.10 each of the Company (“CNI Shares”) at an average buy-back price of RM 0.09 per share. The total consideration paid, including transaction costs, was RM4,459 and it was financed by internally generated funds. The CNI Shares bought back were being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

As at 31 March 2016, the number of treasury shares held was 6,787,100 CNI Shares.

A7. Fair Value Changes of Financial Liabilities

As at 31 March 2016, the Group does not have any financial liabilities measured at fair value through profit or loss.

A8. Dividends Paid

There was no dividend paid during the current quarter and the cumulative period ended 31 March 2016

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

Unaudited Financial Results of the Group for First Quarter Ended 31 March 2016

A9. Segmental Information

The segmental information of the Group for the current quarter and financial year-to-date was summarised as below:

Business Segment	Current quarter		Year to-date	
	Revenue	Result	Revenue	Result
	31.03.16	31.03.16	31.03.16	31.03.16
	RM'000	RM'000	RM'000	RM'000
Marketing and trading	20,441	(2,025)	20,441	(2,025)
Manufacturing	8,938	347	8,938	347
Others	2,370	1,091	2,370	1,091
Inter-segment elimination	(8,641)	(1,637)	(8,641)	(1,637)
	<u>23,108</u>	<u>(2,224)</u>	<u>23,108</u>	<u>(2,224)</u>
Share of results of associates		(235)		(235)
Income tax expense		795		795
Non-controlling interests		131		131
Profit for the period		<u>(1,533)</u>		<u>(1,533)</u>

Business Segment	Previous Year Corresponding Quarter		Previous Year to-date	
	Revenue	Result	Revenue	Result
	31.03.15	31.03.15	31.03.15	31.03.15
	RM'000	RM'000	RM'000	RM'000
Marketing and trading	23,006	839	23,006	839
Manufacturing	11,248	1,517	11,248	1,517
Others	401	(796)	401	(796)
Inter-segment elimination	(9,401)	(554)	(9,401)	(554)
	<u>25,254</u>	<u>1,006</u>	<u>25,254</u>	<u>1,006</u>
Share of results of associates		(518)		(518)
Income tax expense		(314)		(314)
Non-controlling interests		(48)		(48)
Profit for the period		<u>126</u>		<u>126</u>

A10. Valuation of Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any, have been brought forward without amendments from the audited financial statements for the financial year ended 31 December 2015

Investment properties are stated at fair value as at 31 December 2015. Fair value is arrived at by reference to market evidence of transaction prices for similar properties and is performed by registered independent valuers having appropriate recognised professional qualification and recent experience in the location and category of the properties being valued.

A11. Subsequent Events

Save as disclosed below, there were no material events subsequent to the reporting period up to 23 May 2016 (latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report), which have not been reflected, in the financial statements for the current quarter under review and financial year to-date.

Infuso Sdn Bhd (“Infuso”), a wholly-owned subsidiary of the Company had on 22 April 2016 entered into a Supplementary Agreement with Golden Palm Tree Resort & SPA Sdn Bhd (“GPT”) to extend the redemption of the Preference Shares in GPT from 23 April 2016 (“Redemption Date”) to 23 April 2018 (“Extended Redemption Date”), subject to the terms and conditions as contained in the Supplementary Agreement.

A12. Changes in Composition of the Group

There were no changes in the composition of the Company/Group including business combination, acquisition or disposal of subsidiaries and long term investment, restructuring & discontinuing operations during the current quarter under review and financial year to-date.

A13. 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 2015.

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

Unaudited Financial Results of the Group for First Quarter Ended 31 March 2016

A14. Capital Commitments

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

	As at 31.03.2016
	RM '000
Capital expenditure approved and contracted for:	
Purchase of property, plant and equipment	291
Acquisition of computer software	23
	<hr/>
	314
	<hr/>

A15. Related Party Disclosures

Related party transactions were summarised as follows:

	Current/Cumulative
	quarter
	RM '000
<u>CNI Corporation Sdn Bhd</u>	
Management fee paid and payable	69
IT and eCommerce related service	35
<u>CNI Venture Sdn Bhd</u>	
Research and development expenditure paid and payable	40
<u>Fortune Venture Inc</u>	
Sales received and receivable	821
<u>Qingdao Mark Foods Co., Ltd</u>	
Sales received and receivable	106
<u>CNI IPHC</u>	
Trademark fee paid and payable	43
<u>Sepang Goldcoast Sdn Bhd</u>	
Rental received and receivable	51
<u>CIS Solutions Sdn Bhd</u>	
Royalty fee received and receivable	53
<u>Law Yang Keat</u>	
Sales development and marketing advisory paid and payable	18
<u>Koh Teng Kiat</u>	
Corporate finance and treasury services paid and payable	32

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

Unaudited Financial Results of the Group for First Quarter Ended 31 March 2016

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

B1. Operating Segment Review

(a) Results for First Quarter

The Group recorded revenue of RM23.1 million for the current quarter ended 31 March 2016 as compared to RM25.3 million in the previous year corresponding quarter, showed a decrease of 8%.

Business Segment	Quarter Ended				Increase/(Decrease)			
	Revenue		Result		Revenue		Result	
	31.03.16	31.03.15	31.03.16	31.03.15	RM'000	%	RM'000	%
Marketing and trading	20,441	23,006	(2,025)	839	(2,565)	-11%	(2,864)	-341%
Manufacturing	8,938	11,248	347	1,517	(2,310)	-21%	(1,170)	77%
Others	2,370	401	1,091	(796)	1,969	491%	1,887	-237%

The revenue of the marketing and trading segment has decreased from RM23.0 million to RM20.4 million, a decrease of 11% as compared to the previous corresponding quarter. The decreased in revenue was mainly due to decline of revenue from local direct selling business. Consequently, the result of the marketing and trading segment has turned into loss position.

The sales revenue from manufacturing segment has decreased from RM11.2 million to RM8.9 million, a decrease of 21% as compared to the previous corresponding quarter due to decrease in sales order from local market. Hence the result of the manufacturing segment was lower in this quarter.

The other segment representing investment holding business and retail – food and beverages segment. The result of this segment is improved due to dividend income and management fee received.

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

Unaudited Financial Results of the Group for First Quarter Ended 31 March 2016

B1. Operating Segment Review(Continued)

(b) Results for Financial Year-to-date

The Group recorded revenue of RM23.1 million for the financial period ended 31 March 2016 as compared to RM25.3 million in the previous financial period, showing a decrease of 8%. The Group Loss Before Tax (“LBT”) for the financial period ended 31 March 2016 was RM2.5 million, representing a decline of 120% as compared to the Profit Before Tax (“PBT”) of RM0.5 million in the previous period ended 31 March 2015.

The decrease in revenue and loss for the period ended 31 March 2016 was mainly attributable to the decrease of revenue from local direct selling business and foreign exchange loss.

Business Segment	Year to date ended				Increase/(Decrease)			
	Revenue	Revenue	Result	Result	Revenue		Result	
	31.03.16	31.03.15	31.03.16	31.03.15	RM'000	%	RM'000	%
Marketing and trading	20,441	23,006	(2,025)	839	(2,565)	-11%	(2,864)	-341%
Manufacturing	8,938	11,248	347	1,517	(2,310)	-21%	(1,170)	77%
Others	2,370	401	1,091	(796)	1,969	491%	1,887	-237%

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

The Group’s LBT for the current quarter was RM2.5 million an increase of RM2.1 million from the LBT of RM0.3 million compared with preceding quarter. The losses has increased mainly due to lower revenue achieved from local sales and higher foreign exchange loss in this quarter.

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

Unaudited Financial Results of the Group for First Quarter Ended 31 March 2016

B3 Commentary on Prospects and Targets

The Group remains optimistic on developing new markets and trading activities in Indochina to take advantage of opportunities in the Indochina markets going forward. The Group plans to venture into prospect market such as Myanmar, Cambodia and Laos to complete the Indochina story which has shown significant potential for future opportunities and favourable results in 2016 and beyond.

For the manufacturing segment, the Group will continue its commitment in the enhancement and innovation of its product research and development capabilities and streamlining its product processes to reduce wastage and to achieve cost optimization for greater efficiency. Further emphasis will be placed on expanding overseas consumer market and export sales, especially to China and Indochina.

The Board will continue to be mindful of the operating cost and seek new opportunities to enhance operating efficiency and growth.

B4. Other Operating Income

	Current Quarter 31.03.2016 RM '000	Previous Year Corresponding Quarter 31.03.2015 RM '000
Interest income	73	39
(Loss)/Gain on foreign exchange	(718)	379
Other income	384	293
	<hr/> (261) <hr/>	<hr/> 711 <hr/>

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

Unaudited Financial Results of the Group for First Quarter Ended 31 March 2016

B5. Realised and Unrealised Profits

	As at 31.03.2016 RM '000	As at 31.12.2015 RM '000
Total retained profits of the group		
- Realised profits	40,250	50,507
- Unrealised profits	2,996	2,792
	<u>43,246</u>	<u>53,299</u>
Total share of retained earnings from associate company		
- Realised	(2,858)	(2,623)
Less: Consolidation adjustments	(28,126)	(36,881)
Total retained profits as per statement of financial position	<u>12,262</u>	<u>13,795</u>

B6. Income Tax Expenses/(Credit)

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

	Current quarter RM '000	Year to-date RM '000
Current quarter/ year to-date	<u>(795)</u>	<u>(795)</u>

B7. Corporate Proposals

Save as disclosed below, there were no corporate proposals announced but not completed as at 23 May 2016 (the latest practicable date which is not earlier than 7 days from the date of this quarterly report).

On 1 April 2016, 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:

- a) Proposed Renewal of Shareholder Mandate and New Shareholder Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature; and
- b) Proposed Renewal of Authority for the Company to Purchase its Own Shares

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

Unaudited Financial Results of the Group for First Quarter Ended 31 March 2016

B8. Group Borrowings and Debt Securities

The details of the Group borrowings (denominated in Ringgit Malaysia) as at the reporting date were as follow:

	As at 31.03.2016 RM '000
<u>Secured</u>	
Short term borrowings	24
Long term borrowings	38
	<hr/> 62 <hr/>

B9. Material Litigation

Neither the Company nor its subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the Group's financial position or business, and the Directors are not aware of any proceedings, pending or threatened, against the Company and/or any of its subsidiaries or of any facts likely to give rise to any proceedings which may materially and adversely affect the Group's financial position or business.

B10. Proposed Dividend

During the quarter ended 31 March 2016, the Board had declared a single tier interim dividend of RM0.003 per ordinary share, amounting to RM2,139,639 in respect of the financial year ended 31 December 2015 which has been paid on 13 April 2016.

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

Unaudited Financial Results of the Group for First Quarter Ended 31 March 2016

B11. 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:

	Current quarter 31.03.2016	Year to Date 31.03.2016
Loss attributable to the equity holders of the parent (RM'000)	(1,533)	(1,533)
Weighted average number of ordinary share ('000)	713,245	713,245
Basic earnings per ordinary share (sen)	(0.21)	(0.21)

(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.

B12. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2015 was unqualified.

B13. 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 26 May 2016.