

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 30 SEPTEMBER 2021

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		2021	2020	2021	2020
		CURRENT QUARTER 30/09/2021 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2020 RM'000	CURRENT YEAR TO DATE 30/09/2021 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2020 RM'000
Revenue	B1	18,355	17,544	54,620	50,198
Direct operating costs		(7,695)	(7,822)	(23,878)	(23,276)
Gross profit		10,660	9,722	30,742	26,922
Other income		246	590	1,196	1,480
Operating costs		(10,472)	(9,290)	(30,950)	(27,880)
Finance costs		(116)	(104)	(338)	(326)
Profit before taxation	B2	318	918	650	196
Taxation	B5	(265)	(111)	(586)	(373)
Profit/(Loss) for the financial period		53	807	64	(177)
Other comprehensive income		42	16	55	168
Total comprehensive income for the financial period		95	823	119	(9)
Profit/(Loss) attributable to:					
Owners of the Company		162	915	284	130
Non-controlling interest		(109)	(108)	(220)	(307)
		53	807	64	(177)
Total comprehensive income attributable to:					
Owners of the Company		204	931	339	298
Non-controlling interest		(109)	(108)	(220)	(307)
		95	823	119	(9)
Weighted average number of shares in issue ('000)		720,000	712,905	720,000	712,905
Earnings per share (sen) - basic	B10	0.02	0.13	0.04	0.02
- diluted	B10	0.02	0.13	0.04	0.02

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")
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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021

	Unaudited	Audited
Note	AS AT 30/09/2021	AS AT 31/12/2020
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	32,568	33,821
Investment properties	5,019	2,424
Intangible asset	1,412	831
Other Investment	500	500
Deferred tax asset	535	550
Investment in preference shares	2,311	2,311
Trade receivables	0	2,393
	42,345	42,830
Current Assets		
Investment in preference shares	996	1,047
Inventories	14,967	13,649
Trade receivables	5,158	7,697
Other receivables, deposits and prepayments	2,004	2,716
Tax recoverable	99	152
Short-term investment	8,907	9,195
Cash and cash equivalents	13,375	9,133
	45,506	43,589
TOTAL ASSETS	87,851	86,419
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	72,000	72,000
Treasury shares	-	(1,725)
Exchange translation reserve	85	30
Legal capital reserve	178	178
Accumulated Loss	(1,042)	(1,326)
Total equity attributable to the Owners of the Company	71,221	69,157
Non-controlling interest	1,213	1,433
Total Equity	72,434	70,590
Non-current Liability		
Lease liabilities	B7 1,105	1,135
	1,105	1,135
Current Liabilities		
Trade payables	2,440	3,099
Other payables, deposits and accruals	10,699	10,388
Lease liabilities	B7 1,173	1,194
Tax Payable	0	13
	14,312	14,694
Total Liabilities	15,417	15,829
TOTAL EQUITY AND LIABILITIES	87,851	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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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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	-	-	-	-	284	(220)	64
Other comprehensive income							
Foreign currency translation	-	-	-	55	-	-	55
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 30 September 2021	72,000	178	-	85	(1,042)	1,213	72,434

	← 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	-	-	-	-	130	(307)	(177)
Other comprehensive income							
Foreign currency translation	-	-	-	168	-	-	168
Balance as of 30 September 2020	72,000	178	(1,725)	40	(1,780)	1,238	69,951

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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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

	9 Months Ended 30/09/2021 RM'000	9 Months Ended 30/09/2020 RM'000
Cash Flows from Operating Activities		
Profit before tax	650	196
Adjustment for:		
Amortisation of intangible assets	207	99
Depreciation of property, plant and equipment	1,479	1,576
Interest expenses	338	326
Interest income	(73)	(226)
Inventories written down	(38)	528
Property, plant and equipment written off	10	-
Provision of retirement benefit expense	-	41
Loss on disposal of treasury shares	(172)	-
Unrealised gain on foreign exchange currency	(47)	(113)
	2,354	2,427
Operating profit before working capital changes	2,354	2,427
Inventories	(1,356)	(621)
Receivables	3,298	3,204
Payables	(353)	(1,869)
	3,943	3,141
Cash generated from operations	3,943	3,141
Interest paid	(338)	(326)
Interest received	73	226
Tax paid	(531)	(373)
	3,147	2,668
Net cash generated from operating activities	3,147	2,668
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(236)	(231)
Purchase of intangible assets	(788)	(337)
Proceeds from disposal of property, plant and equipment	102	-
Proceeds from disposal of treasury shares	1,725	-
Withdrawal/(Placement) of short-term investments	288	(1,106)
Net cash generated from/(used in) investing activities	1,091	(1,674)
Cash Flows from Financing Activity		
Repayment of lease liabilities, representing net cash used in financing activities	(51)	(313)
Net Increase in Cash and Cash Equivalents	4,187	681
Foreign exchange differences	55	168
Cash and Cash Equivalents at beginning of period	9,133	8,569
Cash and Cash Equivalents at end of period	13,375	9,418
Cash and Cash Equivalents at end of period comprise of the followings:-		
Cash and bank balances	13,375	9,418
	13,375	9,418

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.

CITRA NUSA HOLDINGS BERHAD (Formerly known as “CNI Holdings Berhad”)
 (Company No.: 198901004452 (181758-A))

Unaudited Financial Results of the Group for Third Quarter Ended 30 September 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 30 September 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
	30/09/2021	30/09/2021	30/09/2021	30/09/2021
	RM'000	RM'000	RM'000	RM'000
Marketing and trading	16,105	1,337	45,437	3,330
Manufacturing	6,291	(844)	19,250	(1,913)
Others	463	(159)	1,500	(700)
Inter-segment elimination	(4,504)	(16)	(11,567)	(67)
	18,355	318	54,620	650
Income tax		(265)		(586)
Non-controlling interests		109		220
Profit for the period		162		284

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
	30/09/2020	30/09/2020	30/09/2020	30/09/2020
	RM'000	RM'000	RM'000	RM'000
Marketing and trading	14,528	1,393	39,976	1,729
Manufacturing	7,846	(166)	20,515	(1,965)
Others	559	780	1,689	670
Inter-segment elimination	(5,389)	(1,089)	(11,982)	(238)
	17,544	918	50,198	196
Income tax		(111)		(373)
Non-controlling interests		108		307
Profit for the period		915		130

Unaudited Financial Results of the Group for Third Quarter Ended 30 September 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 30.09.2021 RM'000
Capital expenditure approved and contracted for	31
Capital expenditure approved and not contracted for	<u>1,520</u>
	<u><u>1,551</u></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	88	248
Trade purchase paid and payable	432	864
Commission receivable	4	11
<u>CNI Venture Sdn Bhd</u>		
Research and development expenditure paid and payable	45	134
<u>CNI IPHC</u>		
Trademark fee paid and payable	63	185
<u>Yee Kee Bing</u>		
Provision of consultancy and management services	18	54

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Unaudited Financial Results of the Group for Third Quarter Ended 30 September 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 RM18.36 million for the current quarter ended 30 September 2021 as compared to RM17.54 million in the previous year corresponding quarter, increased by 5%.

	Current year quarter	Preceding Year Corresponding quarter	Changes %	Current year-to-date	Preceding Year Corresponding quarter	Changes %
	30/09/2021	30/09/2020		30/09/2021	30/09/2020	
	RM'000	RM'000		RM'000	RM'000	
Revenue	18,355	17,544	5%	54,620	50,198	9%
Profit/(Loss) Before Tax	318	918	(65%)	650	196	>100%
Profit/(Loss) After Tax	53	807	(93%)	64	(177)	>100%
Profit/(Loss) Attributable to Owners of the Company	162	915	(82%)	284	130	>100%

The revenue from the marketing and trading segment increased from RM14.53 million to RM16.11 million, an increase of 11% 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 RM7.85 million to RM6.29 million, a decrease of 20% 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 RM0.5 million.

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

The Group's revenue for the financial period ended 30 September 2021 was RM54.62 million, 9% 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 30 September 2021 was RM64,000.

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 RM0.32 million, compared to PBT of RM0.18 million in the immediate preceding quarter, mainly due to higher cyclical impact.

	Current quarter	Immediate Preceding quarter	Changes %
	30/09/2021	30/06/2021	
	RM’000	RM’000	
Revenue	18,355	18,209	1%
Profit Before Tax	318	178	79%

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 / (Credit)	<u>265</u>	<u>586</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.

Unaudited Financial Results of the Group for Third Quarter Ended 30 September 2021

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 18 November 2021 (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 30.09.2021 were as follow:

	Total
	RM'000
<u>Secured</u>	
Short-term borrowings	
Lease liabilities	1,173
Long-term borrowings	
Lease liabilities	1,105
	2,278

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)	162	915	284	130
Weighted average number of ordinary shares in issue ('000)	720,000	712,905	720,000	712,905
Basic earnings per share (sen)	0.02	0.13	0.04	0.02

(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	Financial Year-to-date
	RM'000	RM'000
Amortisation of intangible assets	73	207
Depreciation of property, plant and equipment	497	1,479
Interest expenses	116	338
Inventories written down	9	38
Property, plant and equipment written off	-	10
Loss on disposal of treasury shares	-	172
Interest income	30	(73)
Unrealised gain on foreign exchange	(42)	(47)

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 25 November 2021.