

CNI HOLDINGS BERHAD
(Company No : 181758-A)

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

	Note	Individual Period		Cumulative Period	
		31.12.2016	31.12.2015	31.12.2016	31.12.2015
		Unaudited RM '000	Unaudited RM '000	Unaudited RM '000	Audited RM '000
Operating revenue		21,141	25,231	88,275	93,261
Direct operating costs		(11,547)	(10,927)	(40,529)	(35,276)
Gross profit		9,594	14,304	47,746	57,985
Other operating revenue	B4	1,812	1,431	3,529	4,370
Other operating costs		(11,643)	(15,314)	(53,931)	(61,816)
Finance costs		-	(2)	(4)	(7)
Depreciation & amortisation		(605)	(543)	(2,186)	(3,161)
		(842)	(124)	(4,846)	(2,629)
Share of results of associates		127	(213)	(300)	(727)
Loss before taxation		(715)	(337)	(5,146)	(3,356)
Taxation		43	(2,967)	806	(2,729)
Loss net of taxation		(672)	(3,304)	(4,340)	(6,085)
Other comprehensive (loss)/income					
Defined benefit plan actuarial gain		158	207	158	224
Foreign currency translation		(402)	(1,273)	(323)	(976)
Total comprehensive (loss)/income for the period		(916)	(4,370)	(4,505)	(6,837)
Loss attributable to :					
Equity holders of the Company		(786)	(3,943)	(4,324)	(6,163)
Non-controlling interests		114	639	(16)	78
		(672)	(3,304)	(4,340)	(6,085)

CNI HOLDINGS BERHAD
(Company No : 181758-A)

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

	Individual Period		Cumulative Period	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
	Unaudited	Unaudited	Unaudited	Audited
	RM '000	RM '000	RM '000	RM '000
Total comprehensive (loss)/profit attributable to :				
Equity holders of the Company	(1,030)	(5,009)	(4,489)	(6,915)
Non-controlling interests	114	639	(16)	78
	(916)	(4,370)	(4,505)	(6,837)
Earnings per share (sen)				
Basic	(0.11)	(0.55)	(0.61)	(0.86)
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 DECEMBER 2016

	Unaudited	Audited
	As at	As at
	31.12.2016	31.12.2015
	RM '000	RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	34,792	35,891
Investment properties	1,400	1,400
Investment in associate company	2,611	2,911
Investment in preference share	3,500	3,500
Other investment	-	1,254
Other intangible assets	1,804	1,990
Goodwill	-	200
Deferred tax assets	2,168	1,595
	46,275	48,741
Current assets		
Inventories	13,236	14,357
Trade receivables	11,920	13,091
Other receivables, deposits and prepayments	1,624	5,415
Investments	13,210	15,681
Tax assets	454	629
Cash and bank balances	10,187	10,324
	50,631	59,497
TOTAL ASSETS	96,906	108,238
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	72,000	72,000
Treasury shares	(1,683)	(1,674)
Retained earnings	7,489	13,795
Other reserves	(1,651)	(1,328)
	76,155	82,793
Non-controlling interests	970	986
Total Equity	77,125	83,779

CNI HOLDINGS BERHAD
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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016 (Continued)

	Unaudited	Audited
	As at	As at
	31.12.2016	31.12.2015
	RM '000	RM '000
	_____	_____
Non-current liabilities		
Borrowings	120	44
Retirement benefits	7,011	6,823
Deferred tax liabilities	1,355	1,764
	_____	_____
	8,486	8,631
	_____	_____
Current liabilities		
Trade payables	3,493	3,392
Other payables, deposits and accruals	7,640	12,367
Provision and contingent liabilities	79	41
Borrowings	83	28
	_____	_____
	11,295	15,828
	_____	_____
Total liabilities	19,781	24,459
	_____	_____
TOTAL EQUITY AND LIABILITES	96,906	108,238
	_____	_____
	-	-
Net Assets	77,125	83,779
Net assets per share (RM)	0.11	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 FOURTH QUARTER ENDED 31 DECEMBER 2016

	← Non Distributable		→	Distributable		
	Share Capital	Treasury Shares	Currency Translation Reserve	Retained Earnings	Non-controlling Interests	Total Equity
	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						
Profit/(Loss) for the year	-	-	-	(6,163)	78	(6,085)
Other comprehensive income/(loss)						
Foreign currency translation	-	-	(976)	223	-	(753)
Total comprehensive income/(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

CNI HOLDINGS BERHAD
(Company No : 181758-A)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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	-	-	-	(4,324)	(16)	(4,340)
Other comprehensive loss						
Defined benefit plan actuarial gain	-	-	-	158	-	158
Foreign currency translation	-	-	(323)	-	-	(323)
Total comprehensive income/(loss) for the period	-	-	(323)	(4,166)	(16)	(4,505)
Transactions with owners						
Purchase of treasury shares	-	(9)	-	-	-	(9)
Interim dividends	-	-	-	(2,140)	-	(2,140)
Total transactions with owners	-	(9)	-	(2,140)	-	(2,149)
As at 31 December 2016	72,000	(1,683)	(1,651)	7,489	970	77,125

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
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CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016

	31.12.2016	31.12.2015
	RM'000	RM'000
	(Unaudited)	(Audited)
Cash Flows from Operating Activities		
Loss before taxation	(5,145)	(3,356)
Adjustments for:-		
Amortisation of intangible assets	525	649
Bad debts written off	24	6
Depreciation of property, plant and equipment	1,967	2,512
Gain on disposal of property, plant and equipments	-	2
Impairment loss of goodwill on consolidation	-	3
Impairment loss on trade and other receivable	-	315
Impairment loss on property, plant and equipment	200	411
Impairment loss on subsidiaries	-	-
Impairment loss in investment in unquoted share	1,254	-
Intangible assets written off	-	51
Interest expenses	4	7
Interest revenue	(187)	(191)
Inventories written off	748	352
Inventories written down	-	57
Investment income	(1,248)	(422)
Loss on disposal of property, plant and equipment	6	1
Share of loss of minority interest	-	-
Property, plant and equipment written off	90	161
Provision/(Reversal) for employee benefits expenses	9	(44)
Reversal of impairment loss on trade and other receivables	67	(4)
Retirement benefits expense	345	316
Share of loss of associated companies	300	727
Unrealised loss/(gain) on foreign exchange	(692)	(1,561)
Operating loss before working capital changes	<u>(1,733)</u>	<u>(8)</u>
Decrease/(Increase) in inventories	373	(146)
Decrease/(Increase) in receivables	4,275	(424)
(Decrease)/Increase in payables	(3,432)	769
Cash (used in)/generated from operations	<u>(517)</u>	<u>191</u>
Interest paid	(4)	(7)
Interest received	187	191
Tax paid	(330)	(508)
Tax refund	340	475
Net cash (used in)/ from operating activities	<u>(324)</u>	<u>342</u>

CNI HOLDINGS BERHAD
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CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016 (Continued)

	31.12.2016	31.12.2015
	RM'000	RM'000
	(Unaudited)	(Audited)
Cash Flows from Investing Activities		
Net cash inflow on acquisition of subsidiary company	-	10
Repayments from associates companies	-	154
Investment in associate companies	-	(548)
Investment income	1,248	422
Placement of time deposits	-	(2,514)
Purchase of property, plant and equipment	(1,435)	(802)
Purchase of intangible assets	(148)	(667)
Proceeds from disposal of property, plant and equipment	69	61
Proceeds from disposal of other intangible asset	1	722
Withdrawal of short-term fund	2,471	6,611
Net cash from/(used in) investing activities	<u>2,206</u>	<u>3,449</u>
Cash Flows from Financing Activities		
Repayment of term loans	-	(4)
Purchase of treasury shares	(9)	(12)
Payment of finance lease liabilities	-	(14)
Repayment of hire purchase liabilities	131	-
Dividend paid	(2,140)	(2,200)
Net cash used in financing activities	<u>(2,018)</u>	<u>(2,230)</u>
Effect of exchange rate changes	(1)	(1,128)
Net decrease in cash and cash equivalent	(137)	433
Cash and cash equivalent at beginning of the financial year	10,324	9,891
Cash and cash equivalent at end of the financial year	<u>10,187</u>	<u>10,324</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

New MFRSs, amendments/improvements to MFRSs and new IC Interpretation (“IC Int”) that have been issued, but yet to be effective

At the date of authorisation of these interim financial statements, the following new MFRSs, amendments/improvements to MFRSs and new IC Interpretation that have been 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 1	First-time adoption of MFRS	1 January 2018
MFRS 4	Insurance Contracts	1 January 2018

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Unaudited Financial Results of the Group for Fourth Quarter Ended 31 December 2016

A2. Significant Accounting Policies (Continued)

New MFRSs, amendments/improvements to MFRSs and new IC Interpretation (“IC Int”) that have been issued, but yet to be effective (Continued)

At the date of authorisation of these interim financial statements, the following new MFRSs, amendments/improvements to MFRSs and new IC Interpretation that have been 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 Interest in Other Entities	1 January 2017
MFRS 112	Income Taxes	1 January 2017
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2018
MFRS 140	Investment Property	1 January 2018
<u>New IC Interpretation</u>		
	IC Int 22 Foreign Currency Transactions and Advance Consideration	1 January 2018

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 December 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 December 2016.

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Unaudited Financial Results of the Group for Fourth Quarter Ended 31 December 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 December 2016.

As at 31 December 2016, the number of treasury shares held was 6,837,100 CNI Shares.

A7. Fair Value Changes of Financial Liabilities

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

A8. Dividends Paid

There were no dividends declared and paid during the current quarter.

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
	31.12.2016	31.12.2016	31.12.2016	31.12.2016
	RM'000	RM'000	RM'000	RM'000
Marketing and trading	16,884	(1,945)	75,742	(5,287)
Manufacturing	8,822	1,126	34,714	1,495
Others	717	(1,651)	4,576	(340)
Inter-segment elimination	(5,282)	1,627	(26,757)	(714)
	<u>21,141</u>	<u>(843)</u>	<u>88,275</u>	<u>(4,846)</u>
Share of results of associates		128		(300)
Income tax expense		43		806
Non-controlling interests		(114)		16
Loss for the period		<u>(786)</u>		<u>(4,324)</u>

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

Unaudited Financial Results of the Group for Fourth Quarter Ended 31 December 2016

A9. Segmental Information (Continued)

Business Segment	Previous Year Corresponding Quarter		Previous Year to-date	
	Revenue	Result	Revenue	Result
	31.12.2015	31.12.2015	31.12.2015	31.12.2015
	RM'000	RM'000	RM'000	RM'000
Marketing and trading	21,175	(3,766)	81,376	(3,915)
Manufacturing	9,863	1,014	37,358	2,982
Others	1,921	799	5,606	947
Inter-segment elimination	(7,728)	1,829	(31,079)	(2,643)
	<u>25,231</u>	<u>(124)</u>	<u>93,261</u>	<u>(2,629)</u>
Share of results of associates		(213)		(727)
Income tax expense		(2,967)		(2,729)
Non-controlling interests		(639)		(78)
Loss for the period		<u>(3,943)</u>		<u>(6,163)</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

There were no material events subsequent to the reporting period up to 22 February 2017 (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.

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Unaudited Financial Results of the Group for Fourth Quarter Ended 31 December 2016

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.

A14. Capital Commitments

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

	As at 31.12.2016 RM '000
Capital expenditure approved and contracted for:	
Purchase of property, plant and equipment	193
Acquisition of computer hardware	3
Acquisition of computer software	97
	<hr/>
	293
	<hr/>

CNI Holdings Berhad (Company No.: 181758-A)Unaudited Financial Results of the Group for Fourth Quarter Ended 31 December 2016

A15. Related Party Disclosures

Related party transactions were summarized as follows:

	Current quarter RM '000	Cumulative quarter RM '000
<u>CNI Corporation Sdn Bhd</u>		
Management fee paid and payable	84	393
IT and eCommerce related service	53	210
<u>CNI Venture Sdn Bhd</u>		
Research and development expenditure paid and payable	55	232
<u>Fortune Venture Inc</u>		
Sales received and receivable	1,490	4,829
<u>Qingdao Mark Foods Co., Ltd</u>		
Sales received and receivable	-	378
<u>CNI IPHC</u>		
Trademark fee paid and payable	63	282
<u>Sepang Goldcoast Sdn Bhd</u>		
Rental received and receivable	76	304
<u>CIS Solutions Sdn Bhd</u>		
Royalty fee received and receivable	3	281
<u>Law Yang Keat</u>		
Sales development and marketing advisory paid and payable	15	90
<u>Koh Teng Kiat</u>		
Corporate finance and treasury services paid and payable	49	191

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

The Group recorded revenue of RM21.1 million for the current quarter ended 31 December 2016 as compared to RM25.2 million in the previous year corresponding quarter, decreased by 16%.

Business Segment	Quarter Ended				Increase/ (Decrease)			
	Revenue		Result		Revenue		Result	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015				
	RM'000	RM'000	RM'000	RM'000	RM'000	%	RM'000	%
Marketing and trading	16,884	21,175	(1,945)	(3,766)	(4,291)	-20%	1,821	48%
Manufacturing	8,822	9,863	1,126	1,014	(1,041)	-11%	112	11%
Others	717	1,921	(1,651)	799	(1,204)	-63%	(2,450)	-307%

The revenue of the marketing and trading segment decreased from RM21.1 million to RM16.9 million, a decrease of 20% as compared to the previous corresponding quarter. This was mainly attributable to lower revenue from local and overseas direct selling business. However, the result was improved due to lower operating expenses.

The revenue of the manufacturing segment decreased from RM9.9 million to RM8.8 million, a decrease of 11% as compared to the previous corresponding quarter. This was mainly due to decrease in inter-company sales. Result of the segment increased mainly due to higher contributions from external sales in current quarter as compared to corresponding quarter.

Segment of others representing investment holding and retail of food and beverage businesses. Lower revenue in this current quarter mainly attributable to lump sum annual management fees charged in the corresponding quarter.

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Unaudited Financial Results of the Group for Fourth Quarter Ended 31 December 2016

B1. Operating Segment Review (Continued)(b) Results for Financial Year-to-date

The Group recorded revenue of RM88.3 million for the financial year ended 31 December 2016 as compared to RM93.3 million in the previous financial year, representing a decrease of 5%. The Group Loss Before Tax (“LBT”) for the financial year ended 31 December 2016 was RM5.1 million, as compared to LBT of RM3.4 million in the previous year ended 31 December 2015.

The decrease in revenue and increase in losses for the year ended 31 December 2016 was mainly attributable to the decrease of revenue from direct selling and manufacturing segments.

Business Segment	Year-to-date ended				Increase/(Decrease)			
	Revenue		Result		Revenue		Result	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015				
	RM'000	RM'000	RM'000	RM'000	RM'000	%	RM'000	%
Marketing and trading	75,742	81,376	(5,287)	(3,915)	(5,634)	-7%	(1,372)	-35%
Manufacturing	34,714	37,358	1,495	2,982	(2,644)	-7%	(1,487)	-50%
Others	4,576	5,606	(340)	947	(1,030)	-18%	(1,287)	-136%

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

The Group’s LBT for the current quarter was RM0.6 million, compared to LBT of RM1.9 million in the preceding quarter. Lower losses mainly due to higher revenue achieved by the Group for this quarter.

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Unaudited Financial Results of the Group for Fourth Quarter Ended 31 December 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. The Group's expansion into Thailand and Myanmar has yet to deliver satisfactory results, continuous and speedy efforts to launch more new products and growing the brand's presence to attract more consumers and generating higher sales shall remain the Group's top priority. The Group is confident of its research and development capabilities to continuously enhance enzyme powder and Nufit enzyme formula for China and Indochina market.

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 31.12.2016 RM '000	Previous Year Corresponding Quarter 31.12.2015 RM '000
Interest income	58	17
Gain on foreign exchange	1,497	972
Other income	258	442
	<u>1,813</u>	<u>1,431</u>

CNI Holdings Berhad (Company No.: 181758-A)Unaudited Financial Results of the Group for Fourth Quarter Ended 31 December 2016

B5. Realised and Unrealised Profits

	As at 31.12.2016 RM '000	As at 31.12.2015 RM '000
Total retained profits of the group		
- Realised profits	37,436	50,507
- Unrealised profits	1,522	2,792
	<hr/> 38,958	<hr/> 53,299
Total share of retained earnings from associate company		
- Realised	(2,922)	(2,623)
Less: Consolidation adjustments	(28,547)	(36,881)
	<hr/> (29,469)	<hr/> (39,504)
Total retained profits as per statement of financial position	<hr/> 7,489	<hr/> 13,795

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	<hr/> (43)	<hr/> (806)

B7. Corporate Proposals

There were no corporate proposals announced but not completed as at 22 February 2017 (the latest practicable date which is not earlier than 7 days from the date of this quarterly report).

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

Unaudited Financial Results of the Group for Fourth Quarter Ended 31 December 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 31.12.2016 RM '000
<u>Secured</u>	
Short term borrowings	83
Long term borrowings	120
	<hr/> 203 <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

There was no dividend proposed in the current quarter.

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

Unaudited Financial Results of the Group for Fourth Quarter Ended 31 December 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 31.12.2016	Year to Date 31.12.2016
Loss attributable to the equity holders of the parent (RM'000)	(786)	(4,324)
Weighted average number of ordinary share ('000)	713,163	713,204
Basic earnings per ordinary share (sen)	(0.11)	(0.61)

(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 27 February 2017.