

**CYCLE & CARRIAGE BINTANG BERHAD**  
**Condensed Consolidated Statement of Comprehensive Income**  
**for the six months ended 30th June 2016**

|   | Note | Unaudited<br>3 months ended |                     | Unaudited<br>6 months ended |                     |
|---|------|-----------------------------|---------------------|-----------------------------|---------------------|
|   |      | 30.6.2016<br>RM'000         | 30.6.2015<br>RM'000 | 30.6.2016<br>RM'000         | 30.6.2015<br>RM'000 |
| Revenue   | 7    | <b>422,746</b>              | 472,359             | <b>737,884</b>              | 735,479             |
| Expenses excluding finance cost and tax                                       |      | <b>(413,015)</b>            | (459,432)           | <b>(716,954)</b>            | (714,676)           |
| Other operating income  |      |                             |                     |                             |                     |
| - dividend income   |      | <b>11,229</b>               | 11,229              | <b>11,229</b>               | 11,229              |
| - interest income   |      | <b>139</b>                  | 155                 | <b>252</b>                  | 414                 |
| - others  |      | <b>2,542</b>                | 2,247               | <b>4,590</b>                | 3,731               |
| Operating profit  |      | <b>23,641</b>               | 26,558              | <b>37,001</b>               | 36,177              |
| Finance cost  |      | <b>(834)</b>                | (217)               | <b>(1,264)</b>              | (242)               |
| <b>Profit before tax</b>  |      | <b>22,807</b>               | 26,341              | <b>35,737</b>               | 35,935              |
| Income tax  | 13   | <b>(3,134)</b>              | (4,514)             | <b>(6,562)</b>              | (7,465)             |
| <b>Total comprehensive income for the financial period</b>                    | 19   | <b>19,673</b>               | 21,827              | <b>29,175</b>               | 28,470              |
| <b>Total comprehensive income attributable to shareholders of the Company</b> |      | <b>19,673</b>               | 21,827              | <b>29,175</b>               | 28,470              |
|   |      | <b>Sen</b>                  | Sen                 | <b>Sen</b>                  | Sen                 |
| Basic earnings per share attributable to shareholders of the Company          | 17   | <b>19.53</b>                | 21.67               | <b>28.96</b>                | 28.26               |

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's audited Financial Statements for the financial year ended 31st December 2015 and the accompanying notes to the condensed consolidated interim financial statements on pages 7 to 11.*

**CYCLE & CARRIAGE BINTANG BERHAD**  
**Condensed Consolidated Statement of Financial Position**  
**as at 30th June 2016**

|                                       | Note | Unaudited<br>As at<br>30.6.2016<br>RM'000 | Audited<br>As at<br>31.12.2015<br>RM'000 |
|---------------------------------------|------|---|--|
| <b>Non-current assets</b>             |      |   |  |
| Intangible assets                     |      | 9,842                                     | 9,842                                    |
| Property, plant and equipment         |      | 91,746                                    | 81,400                                   |
| Available-for-sale investment         |      | 66,003                                    | 66,003                                   |
| Deferred tax assets                   |      | 6,680                                     | 7,261                                    |
|                                       |      | <u>174,271</u>                            | <u>164,506</u>                           |
| <b>Current assets</b>                 |      |   |  |
| Inventories                           |      | 280,128                                   | 184,764                                  |
| Trade and other receivables           |      | 136,247                                   | 72,395                                   |
| Cash and cash equivalents             |      | 25,976                                    | 35,737                                   |
|                                       |      | <u>442,351</u>                            | <u>292,896</u>                           |
| <b>Total assets</b>                   |      | <u>616,622</u>                            | <u>457,402</u>                           |
| <b>Non-current liabilities</b>        |      |   |  |
| Deferred tax liabilities              |      | <u>573</u>                                | <u>396</u>                               |
| <b>Current liabilities</b>            |      |   |  |
| Provision for liabilities and charges |      | 792                                       | 263                                      |
| Current tax liabilities               |      | 3,038                                     | 6,358                                    |
| Trade payables and other liabilities  |      | 206,050                                   | 164,854                                  |
| Borrowings                            | 15   | 121,500                                   | 25,000                                   |
|                                       |      | <u>331,380</u>                            | <u>196,475</u>                           |
| <b>Total liabilities</b>              |      | <u>331,953</u>                            | <u>196,871</u>                           |
| <b>Net assets</b>                     |      | <u>284,669</u>                            | <u>260,531</u>                           |
| <b>Equity</b>                         |      |   |  |
| Share capital                         |      | 100,745                                   | 100,745                                  |
| Share premium                         |      | 23,857                                    | 23,857                                   |
| Retained profits                      |      | 160,067                                   | 135,929                                  |
| <b>Total equity</b>                   |      | <u>284,669</u>                            | <u>260,531</u>                           |

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited Financial Statements for the financial year ended 31st December 2015 and the accompanying notes to the condensed consolidated interim financial statements on pages 7 to 11.*

**CYCLE & CARRIAGE BINTANG BERHAD**  
**Condensed Consolidated Statement of Changes in Equity**  
**for the six months ended 30th June 2016**

|   | <b>Unaudited</b>                    |                                     |  |                         |
|---|-------------------------------------|-------------------------------------|--|-------------------------|
|   | <b>Share<br/>Capital<br/>RM'000</b> | <b>Share<br/>Premium<br/>RM'000</b> | <b>Retained<br/>Profits<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
| <b>At 1st January 2016</b>  | <b>100,745</b>                      | <b>23,857</b>                       | <b>135,929</b>                         | <b>260,531</b>          |
| Total comprehensive income for the financial period               | -                                   | -                                   | <b>29,175</b>                          | <b>29,175</b>           |
| Dividend paid for the year ended:<br>- 31st December 2015 (final) | -                                   | -                                   | <b>(5,037)</b>                         | <b>(5,037)</b>          |
| <b>At 30th June 2016</b>  | <b>100,745</b>                      | <b>23,857</b>                       | <b>160,067</b>                         | <b>284,669</b>          |
| At 1st January 2015   | 100,745                             | 23,857                              | 83,804                                 | 208,406                 |
| Total comprehensive income for the financial period               | -                                   | -                                   | 28,470                                 | 28,470                  |
| At 30th June 2015   | 100,745                             | 23,857                              | 112,274                                | 236,876                 |

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited Financial Statements for the financial year ended 31st December 2015 and the accompanying notes to the condensed consolidated interim financial statements on pages 7 to 11.*

**CYCLE & CARRIAGE BINTANG BERHAD**  
**Condensed Consolidated Statement of Cash Flows**  
**for the six months ended 30th June 2016**

|   | <b>Unaudited</b>      |                  |
|---|-----------------------|------------------|
|   | <b>6 months ended</b> |                  |
|   | <b>30.6.2016</b>      | <b>30.6.2015</b> |
|   | <b>RM'000</b>         | <b>RM'000</b>    |
| <b>Operating activities</b>   |                       |                  |
| Profit before tax   | <b>35,737</b>         | 35,935           |
| <i>Adjustments for:</i>   |                       |                  |
| Property, plant and equipment:                                      |                       |                  |
| - depreciation and amortisation                                     | <b>2,829</b>          | 2,903            |
| - gain on disposal  | <b>(18)</b>           | (4)              |
| - write off   | <b>55</b>             | -                |
| Interest income   | <b>(252)</b>          | (414)            |
| Dividend income   | <b>(11,229)</b>       | (11,229)         |
| Finance cost  | <b>1,264</b>          | 242              |
| Provision   | <b>529</b>            | 377              |
| <b>Operating profit before changes in working capital</b>           | <b>28,915</b>         | 27,810           |
| Inventories   | <b>(95,364)</b>       | (64,587)         |
| Receivables   | <b>(63,852)</b>       | (53,409)         |
| Payables  | <b>41,196</b>         | 36,927           |
| <b>Net cash flow used in operations</b>                             | <b>(89,105)</b>       | (53,259)         |
| Interest paid   | <b>(1,264)</b>        | (242)            |
| Interest received   | <b>252</b>            | 414              |
| Income tax paid   | <b>(9,124)</b>        | (2,346)          |
| <b>Net cash flow used in operating activities</b>                   | <b>(99,241)</b>       | (55,433)         |
| <b>Investing activities</b>   |                       |                  |
| Proceeds from disposal of plant and equipment                       | <b>49</b>             | 10               |
| Purchase of property, plant and equipment                           | <b>(13,261)</b>       | (880)            |
| Dividend received   | <b>11,229</b>         | 11,229           |
| <b>Net cash flow from/ (used in) investing activities</b>           | <b>(1,983)</b>        | 10,359           |
| <b>Financing activities</b>   |                       |                  |
| Drawdown of bankers acceptance                                      | <b>96,500</b>         | 34,000           |
| Repayment of finance lease  | <b>-</b>              | (2)              |
| Dividend paid   | <b>(5,037)</b>        | -                |
| <b>Net cash flow from financing activities</b>                      | <b>91,463</b>         | 33,998           |
| Net change in cash and cash equivalents during the financial period | <b>(9,761)</b>        | (11,076)         |
| <b>Cash and cash equivalents at</b>                                 |                       |                  |
| - Beginning of the financial period                                 | <b>35,737</b>         | 36,251           |
| - End of the financial period                                       | <b>25,976</b>         | 25,175           |

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited Financial Statements for the financial year ended 31st December 2015 and the accompanying notes to the condensed consolidated interim financial statements on pages 7 to 11.*

**CYCLE & CARRIAGE BINTANG BERHAD**  
**Notes to the condensed consolidated interim financial statements**  
**for the six months ended 30th June 2016**

**1 Basis of Preparation**

These unaudited condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134, *Interim Financial Reporting*, International Accounting Standard 34, *Interim Financial Reporting* and all the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad. They do not include all the information required for full annual financial statements and should be read in conjunction with the Group’s financial statements for the financial year ended 31st December 2015.

The accounting policies and presentation adopted for the interim financial statements are consistent with those adopted for the annual financial statements for the financial year ended 31st December 2015 except for the adoption of the following Amendments to MFRSs:

|   | <b>Effective Date</b> |
|---|-----------------------|
| Amendments to MFRS 7 - Financial Instruments: Disclosures   | 1 January 2016        |
| Amendments to MFRS 101 – Presentation of financial statements:<br>Disclosure Initiative                       | 1 January 2016        |
| Amendments to MFRS 116 and MFRS 138 - Clarification of<br>Acceptable Methods of Depreciation and Amortisation | 1 January 2016        |
| Amendments to MFRS 119 - Employee Benefits  | 1 January 2016        |
| Amendments to MFRS 127 - Equity Method in Separate Financial<br>Statements                                    | 1 January 2016        |
| Amendments to MFRS 134 - Interim Financial Reporting  | 1 January 2016        |

The adoption of the above Amendments to MFRSs does not have any material impact on the financial statements of the Group.

New MFRSs and Amendments to MFRSs that are applicable to the Group but not yet effective for the Group’s current quarter report are:

|   | <b>Effective Date</b> |
|---|-----------------------|
| Amendments to MFRS 10 and MFRS 128 - Sale or Contribution of Assets<br>between an Investor and its Associate or Joint Venture | Deferred              |
| Amendments to MFRS 107 - Disclosure Initiative  | 1 January 2017        |
| Amendments to MFRS 112 – Recognition of Deferred Tax Assets for<br>Unrealised Losses  | 1 January 2017        |
| MFRS 9 - Financial Instruments (IFRS 9 as issued by IASB in July 2014)  | 1 January 2018        |
| MFRS 15 - Revenue from Contracts with Customer  | 1 January 2018        |
| MFRS 16 - Leases  | 1 January 2019        |

The adoption of the above new MFRSs and Amendments to MFRSs when they become effective are not expected to have any material impact on the financial statements of the Group, except for MFRS16. The Group is in the process of assessing the financial impact of adopting MFRS16.

**2 Seasonal or Cyclical Factors**

There were no major seasonal or cyclical factors affecting the automobile industry.

**3 Individually Significant Item**

The Group recognised dividend income of RM11.2 million in respect of the investment in Mercedes-Benz Malaysia Sdn. Bhd. (“MBM”) as disclosed in Note 7 for the six months ended 30th June 2016.

**4 Changes in Estimates**

There were no changes in estimates of amounts reported in prior financial years that have a material effect on the results for the six months ended 30th June 2016.

**5 Debts and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the six months ended 30th June 2016.

**CYCLE & CARRIAGE BINTANG BERHAD**  
**Notes to the condensed consolidated interim financial statements**  
**for the six months ended 30th June 2016**

**6 Dividends**

|   | <b>6 months ended<br/>30.6.2016</b>   |  | <b>6 months ended<br/>30.6.2015</b>   |  |
|---|---------------------------------------|--|---------------------------------------|--|
|   | <b>Dividend<br/>per share<br/>Sen</b> | <b>Amount<br/>of net<br/>dividend<br/>RM'000</b> | <b>Dividend<br/>per share<br/>Sen</b> | <b>Amount<br/>of net<br/>dividend<br/>RM'000</b> |
| Final single-tier dividend in respect of the previous financial year, paid on 24th May 2016 | <b>5.00</b>                           | <b>5,037</b>                                     | -                                     | -  |
|   | <b>5.00</b>                           | <b>5,037</b>                                     | -                                     | -  |

The Board of Directors does not recommend any interim dividend for the six months ended 30th June 2016.

**7 Segment Reporting**

The activities of the Group are conducted within Malaysia in the following segments:

|                                      | <b>Automobile<br/>industry<br/>RM'000</b> | <b>Investment<br/>RM'000</b> | <b>Group<br/>RM'000</b> |
|--------------------------------------|---|------------------------------|-------------------------|
| <b>3 months ended 30th June 2016</b> |   |                              |                         |
| Revenue                              | <b>422,746</b>                            | -                            | <b>422,746</b>          |
| Profit before tax                    | <b>11,578</b>                             | <b>11,229</b>                | <b>22,807</b>           |
| Profit after tax                     | <b>8,444</b>                              | <b>11,229</b>                | <b>19,673</b>           |
| <b>3 months ended 30th June 2015</b> |   |                              |                         |
| Revenue                              | 472,359                                   | -                            | 472,359                 |
| Profit before tax                    | 15,112                                    | 11,229                       | 26,341                  |
| Profit after tax                     | 10,598                                    | 11,229                       | 21,827                  |
| <b>6 months ended 30th June 2016</b> |   |                              |                         |
| Revenue                              | <b>737,884</b>                            | -                            | <b>737,884</b>          |
| Profit before tax                    | <b>24,508</b>                             | <b>11,229</b>                | <b>35,737</b>           |
| Profit after tax                     | <b>17,946</b>                             | <b>11,229</b>                | <b>29,175</b>           |
| <b>6 months ended 30th June 2015</b> |   |                              |                         |
| Revenue                              | 735,479                                   | -                            | 735,479                 |
| Profit before tax                    | 24,706                                    | 11,229                       | 35,935                  |
| Profit after tax                     | 17,241                                    | 11,229                       | 28,470                  |

**8 Changes in the Composition of the Group**

There were no changes in the composition of the Group for the six months ended 30th June 2016.

**CYCLE & CARRIAGE BINTANG BERHAD**  
**Notes to the condensed consolidated interim financial statements**  
**for the six months ended 30th June 2016**

**9 Significant Related Party Transactions**

The significant related party transactions described below were carried out on terms and conditions agreed by the related parties.

|   | <b>6 months ended</b> |                  |
|---|-----------------------|------------------|
|   | <b>30.6.2016</b>      | <b>30.6.2015</b> |
|   | <b>RM'000</b>         | <b>RM'000</b>    |
| With substantial shareholders and companies related to substantial shareholders:  |                       |                  |
| Sales of motor vehicles to Antah Schindler Sdn. Bhd.  | -                     | 333              |
| Purchase of computer software/peripherals and copier charges from Jardine OneSolution (2001) Sdn. Bhd.  | <b>(625)</b>          | (536)            |
| Purchase of computer software/peripherals and copier charges from JOS Malaysia Sdn. Bhd. (formerly known as Jardine OneSolution (2014) Sdn. Bhd.)                 | <b>(466)</b>          | -                |
| Provision of management services by Jardine Cycle & Carriage Limited  | <b>(242)</b>          | (227)            |
| Purchase of insurance from insurance broker, Jardine Lloyd Thompson Sdn. Bhd.   | <b>(105)</b>          | (91)             |
| Provision of internal audit services, Executive Development Programme, Business Enhancement Initiative Programme and HR conference by Jardine Matheson & Co., Ltd | <b>(236)</b>          | (221)            |
| Provision of management services and Leadership Challenge Programme by Cycle & Carriage Industries Pte. Limited   | <b>(152)</b>          | (43)             |

**10 Capital Commitments**

Capital expenditure of the Group not provided for as at 30th June 2016 in relation to property, plant and equipment were as follows:

|                             | <b>RM'000</b>        |
|-----------------------------|----------------------|
| Approved and contracted     | <b>6,619</b>         |
| Approved but not contracted | <b>4,394</b>         |
|                             | <b><u>11,013</u></b> |

**11 Material Change in Current Quarter Results Compared to Preceding Quarter Results**

The Group recorded a profit before tax of RM22.8 million in the second quarter which was RM9.9 million higher than the preceding quarter mainly due to recognition of dividend income, partly offset by lower recognition of variable incentives from MBM in the current quarter.

**12 Variance of Actual Profit from Forecast Profit**

The Company did not publish any profit forecast.

**CYCLE & CARRIAGE BINTANG BERHAD**  
**Notes to the condensed consolidated interim financial statements**  
**for the six months ended 30th June 2016**

**13 Taxation**

|            | <b>3 months ended</b> |                  | <b>6 months ended</b> |                  |
|------------|-----------------------|------------------|-----------------------|------------------|
|            | <b>30.6.2016</b>      | <b>30.6.2015</b> | <b>30.6.2016</b>      | <b>30.6.2015</b> |
|            | <b>RM'000</b>         | <b>RM'000</b>    | <b>RM'000</b>         | <b>RM'000</b>    |
| Income tax | <b>(3,134)</b>        | (4,514)          | <b>(6,562)</b>        | (7,465)          |

The average effective tax rate differs from the statutory income tax rate of Malaysia as follows:

|  | <b>3 months ended</b> |                  | <b>6 months ended</b> |                  |
|--|-----------------------|------------------|-----------------------|------------------|
|  | <b>30.6.2016</b>      | <b>30.6.2015</b> | <b>30.6.2016</b>      | <b>30.6.2015</b> |
|  | <b>%</b>              | <b>%</b>         | <b>%</b>              | <b>%</b>         |
| Statutory income tax rate in Malaysia    | <b>24</b>             | 25               | <b>24</b>             | 25               |
| Expenses not deductible for tax purposes | <b>2</b>              | 3                | <b>2</b>              | 3                |
| Effect of changes in tax rate            | -                     | -                | -                     | 1                |
| Income not subject to tax                | <b>(12)</b>           | (11)             | <b>(8)</b>            | (8)              |
| Average effective tax rate               | <b>14</b>             | 17               | <b>18</b>             | 21               |

The income not subject to tax relates to the single-tier dividend from investment in MBM.

**14 Status of Corporate Proposals**

There were no corporate proposals undertaken or announced but not completed at the date of issue of this quarterly report.

**15 Group Borrowings**

Group borrowings as at 30th June 2016:

|                               | <b>RM'000</b>  |
|-------------------------------|----------------|
| Banker acceptance (unsecured) | <b>121,500</b> |

**16 Changes in Material Litigation**

There were no changes in material litigation since the date of the last annual report up to the date of issue of this quarterly report.

**17 Earnings per Share**

|   | <b>3 months ended</b> |                  | <b>6 months ended</b> |                  |
|---|-----------------------|------------------|-----------------------|------------------|
|   | <b>30.6.2016</b>      | <b>30.6.2015</b> | <b>30.6.2016</b>      | <b>30.6.2015</b> |
| Net profit attributable to shareholders of the Company (RM'000) | <b>19,673</b>         | 21,827           | <b>29,175</b>         | 28,470           |
| Weighted average number of ordinary shares in issue ('000)      | <b>100,745</b>        | 100,745          | <b>100,745</b>        | 100,745          |
| Basic earnings per share (sen)                                  | <b>19.53</b>          | 21.67            | <b>28.96</b>          | 28.26            |

No diluted EPS is computed for the Group as there are no dilutive potential ordinary shares in issue.



**CYCLE & CARRIAGE BINTANG BERHAD**  
**Notes to the condensed consolidated interim financial statements**  
**for the six months ended 30th June 2016**

**18 Qualification of Audit Report**

The Group's financial statements for the preceding year ended 31st December 2015 were not subject to any qualification by the auditors.

**19 Notes to the Statement of Comprehensive Income**

|  | <b>3 months ended</b><br><b>30.6.2016</b><br><b>RM'000</b> | <b>6 months ended</b><br><b>30.6.2016</b><br><b>RM'000</b> |
|--|--|--|
| <b>Net profit for the financial period is arrived at after charging:</b> |  |  |
| Depreciation and amortisation  | (1,503)  | (2,829)  |
| Impairment loss on trade receivables                                     | (167)  | (487)  |
| <b>and crediting:</b>  |  |  |
| Reversal of write-down of inventories made previously, net               | 1,506  | 715  |
| Foreign exchange gain  | -  | 7  |

Other than the above and disclosed in the Condensed Consolidated Statement of Comprehensive Income, there were no gain or loss on disposal of quoted or unquoted investments or properties, gain or loss on derivatives and exceptional items for the six months ended 30th June 2016.

**20 Disclosure of Realised and Unrealised Profits**

|   | <b>6 months ended</b><br><b>30.6.2016</b><br><b>RM'000</b> | 12 months ended<br>31.12.2015<br>RM'000 |
|---|--|---|
| Total retained profits of the Company and its subsidiaries: |  |   |
| - Realised  | 151,449  | 126,024                                 |
| - Unrealised  | 6,650  | 7,937                                   |
|   | <u>158,099</u>   | <u>133,961</u>                          |
| Consolidation adjustments                                   | 1,968  | 1,968                                   |
| Total retained profits                                      | <u>160,067</u>   | <u>135,929</u>                          |

**21 Events after the reporting period**

There were no material events between 1st July 2016 and the date of issue of this quarterly report.

- end -

For further information, please contact: Mr. Chong Boon Kian, Chief Financial Officer at Tel No: 03-78728008.

Full text of the Quarterly Announcement for the six months ended 30th June 2016 can be accessed through the internet at [www.bursamalaysia.com](http://www.bursamalaysia.com).