

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Statement of Comprehensive Income
for the financial year ended 31st December 2016

	Note	Unaudited 3 months ended		Audited 12 months ended	
		31.12.2016 RM'000	31.12.2015 RM'000	31.12.2016 RM'000	31.12.2015 RM'000
Revenue	7	368,206	387,626	1,486,345	1,580,024
Expenses excluding finance cost and tax		(367,651)	(377,738)	(1,455,986)	(1,533,020)
Other operating income					
- dividend income		-	-	11,229	11,229
- interest income		110	110	475	632
- others		3,094	3,921	11,879	10,294
Operating profit		3,759	13,919	53,942	69,159
Finance cost		(1,451)	(159)	(4,210)	(634)
Profit before tax		2,308	13,760	49,732	68,525
Income tax	13	(667)	(3,566)	(10,630)	(16,400)
Total comprehensive income for the financial period / year	19	1,641	10,194	39,102	52,125
Total comprehensive income attributable to shareholders of the Company		1,641	10,194	39,102	52,125
		Sen	Sen	Sen	Sen
Basic earnings per share attributable to shareholders of the Company	17	1.63	10.12	38.81	51.74

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 31st December 2016

	Note	Audited As at 31.12.2016 RM'000	Audited As at 31.12.2015 RM'000
Non-current assets			
Intangible assets		9,842	9,842
Property, plant and equipment		94,907	81,400
Available-for-sale investment		66,003	66,003
Deferred tax assets		7,177	7,261
		<u>177,929</u>	<u>164,506</u>
Current assets			
Inventories		299,714	184,764
Trade and other receivables		75,550	72,395
Tax recoverable		2,857	-
Cash and cash equivalents		47,573	35,737
		<u>425,694</u>	<u>292,896</u>
Total assets		<u>603,623</u>	<u>457,402</u>
Non-current liabilities			
Deferred tax liabilities		62	396
Current liabilities			
Provision for liabilities and charges		632	263
Current tax liabilities		25	6,358
Trade payables and other liabilities		160,308	164,854
Borrowings	15	148,000	25,000
		<u>308,965</u>	<u>196,475</u>
Total liabilities		<u>309,027</u>	<u>196,871</u>
Net assets		<u>294,596</u>	<u>260,531</u>
Equity			
Share capital		100,745	100,745
Share premium		23,857	23,857
Retained profits		169,994	135,929
Total equity		<u>294,596</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 financial year ended 31st December 2016

	Audited			
	Share Capital RM'000	Share Premium RM'000	Retained Profits RM'000	Total RM'000
At 1st January 2016	100,745	23,857	135,929	260,531
Total comprehensive income for the financial year	-	-	39,102	39,102
Dividend paid for the year ended: - 31st December 2015 (final)	-	-	(5,037)	(5,037)
At 31st December 2016	100,745	23,857	169,994	294,596
At 1st January 2015	100,745	23,857	83,804	208,406
Total comprehensive income for the financial year	-	-	52,125	52,125
At 31st December 2015	100,745	23,857	135,929	206,531

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 financial year ended 31st December 2016

	Audited	
	12 months ended	
	31.12.2016	31.12.2015
	RM'000	RM'000
Operating activities		
Profit before tax	49,732	68,525
<i>Adjustments for:</i>		
Property, plant and equipment:		
- depreciation and amortisation	5,928	5,659
- gain on disposal	(52)	(24)
- write off	50	37
Interest income	(475)	(632)
Dividend income	(11,229)	(11,229)
Finance cost	4,210	634
Provision	385	(3,663)
Operating profit before changes in working capital	48,549	59,307
Inventories	(114,950)	(99,758)
Receivables	(3,155)	(19,639)
Payables	(4,546)	45,512
Net cash flow used in operations	(74,102)	(14,578)
Interest paid	(4,210)	(634)
Interest received	475	632
Service and warranty provision utilised	(16)	-
Income tax refund	-	41
Income tax paid	(20,070)	(15,038)
Net cash flow used in operating activities	(97,923)	(29,577)
Investing activities		
Proceeds from disposal of plant and equipment	100	25
Purchase of property, plant and equipment	(19,533)	(7,189)
Dividend received	11,229	11,229
Net cash flow from/ (used in) investing activities	(8,204)	4,065
Financing activities		
Drawdown of bankers acceptance	123,000	25,000
Repayment of finance lease	-	(2)
Dividend paid	(5,037)	-
Net cash flow from financing activities	117,963	24,998
Net change in cash and cash equivalents during the financial period	11,836	(514)
Cash and cash equivalents at		
- Beginning of the financial year	35,737	36,251
- End of the financial year	47,573	35,737

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 financial year ended 31st December 2016

1 Basis of Preparation

These audited 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:

	Effective Date
Amendments to MFRS 7 - Financial Instruments: Disclosures	1 January 2016
Amendments to MFRS 101- Presentation of financial statements: Disclosure Initiative	1 January 2016
Amendments to MFRS 116 and MFRS 138 - Clarification of 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 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:

	Effective Date
Amendments to MFRS 10 and MFRS 128 - Sale or Contribution of Assets 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 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 financial year ended 31st December 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 financial year ended 31st December 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 financial year ended 31st December 2016.

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the condensed consolidated interim financial statements
for the financial year ended 31st December 2016

6 Dividends

The dividends paid in 2016 and 2015 are as follows:

	12 months ended 31.12.2016		12 months ended 31.12.2015	
	Dividend per share Sen	Amount of net dividend RM'000	Dividend per share Sen	Amount of net dividend RM'000
Final single-tier dividend in respect of the previous financial year, paid on 24th May 2016	5.00	5,037	-	-
	<u>5.00</u>	<u>5,037</u>	<u>-</u>	<u>-</u>

The Board of Directors recommends the payment of a final single-tier dividend of 5 sen per share on 100,744,500 ordinary shares amounting to approximately RM5,037,000 which, subject to the approval of shareholders at the forth coming Annual General Meeting of the Company, will be paid on 24th May 2017 to shareholders whose names appear in the Company's register of members and Record of Depositors on 28th April 2017. The financial statements for the current financial year do not reflect this proposed dividend. This dividend, if approved by shareholders, will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 31st December 2017.

7 Segment Reporting

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

	Automobile industry	Investment	Group
	RM'000	RM'000	RM'000
3 months ended 31st December 2016			
Revenue	368,206	-	368,206
Profit before tax	2,308	-	2,308
Profit after tax	1,641	-	1,641
3 months ended 31st December 2015			
Revenue	387,626	-	387,626
Profit before tax	13,760	-	13,760
Profit after tax	10,194	-	10,194
12 months ended 31st December 2016			
Revenue	1,486,345	-	1,486,345
Profit before tax	38,503	11,229	49,732
Profit after tax	27,873	11,229	39,102
12 months ended 31st December 2015			
Revenue	1,580,024	-	1,580,024
Profit before tax	57,296	11,229	68,525
Profit after tax	40,896	11,229	52,125

8 Changes in the Composition of the Group

There were no changes in the composition of the Group for the financial year ended 31st December 2016.

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the condensed consolidated interim financial statements
for the financial year ended 31st December 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.

	12 months ended	
	31.12.2016	31.12.2015
	RM'000	RM'000
With substantial shareholders and companies related to substantial shareholders:		
Receipt of insurance premium support from Jardine Cycle & Carriage Limited	602	-
Sales of motor vehicles to Antah Schindler Sdn. Bhd.	-	333
Purchase of computer software/peripherals and copier charges from Innovix Distribution Sdn. Bhd. (formerly known as Jardine OneSolution (2001) Sdn. Bhd.)	(661)	(1,193)
Purchase of computer software/peripherals and copier charges from JOS Malaysia Sdn. Bhd. (formerly known as Jardine OneSolution (2014) Sdn. Bhd.)	(1,196)	-
Provision of management services by Jardine Cycle & Carriage Limited	(493)	(477)
Purchase of insurance through insurance broker, Jardine Lloyd Thompson Sdn. Bhd.	(115)	(158)
Provision of internal audit services by Jardine Matheson & Co., Ltd	(461)	(262)
Provision of management services and training programme by Cycle & Carriage Industries Pte. Limited	(198)	(89)

10 Capital Commitments

Capital expenditure of the Group not provided for as at 31st December 2016 in relation to property, plant and equipment were as follows:

	RM'000
Approved and contracted	1,470
Approved but not contracted	5,822
	<u>7,292</u>

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

The Group recorded a profit before tax of RM2.3 million in the fourth quarter which was RM9.4 million lower than the preceding quarter mainly due to lower variable incentives recognised, lower unit sales and gross profit, partly offset by high profit from Aftersales operations.

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 financial year ended 31st December 2016

13 Taxation

	3 months ended		12 months ended	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
	RM'000	RM'000	RM'000	RM'000
Income tax	667	3,566	10,630	16,400

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

	3 months ended		12 months ended	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
	%	%	%	%
Statutory income tax rate in Malaysia	24	25	24	25
Expenses not deductible for tax purposes	9	3	2	2
Effect of changes in tax rate	-	-	-	1
Income not subject to tax	-	-	(6)	(4)
Prior year (over)/ under provision	(4)	(2)	1	-
Average effective tax rate	29	26	21	24

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 31st December 2016:

	RM'000
Banker acceptance (unsecured)	148,000

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

	3 months ended		12 months ended	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Net profit attributable to shareholders of the Company (RM'000)	1,641	10,194	39,102	52,125
Weighted average number of ordinary shares in issue ('000)	100,745	100,745	100,745	100,745
Basic earnings per share (sen)	1.63	10.12	38.81	51.74

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 financial year ended 31st December 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

	3 months ended 31.12.2016 RM'000	12 months ended 31.12.2016 RM'000
Net profit for the financial period/ year is arrived at after charging:		
Depreciation and amortisation	(1,658)	(5,928)
Impairment loss on trade receivables, net	(101)	(499)
Write-down of inventories, net	(2,356)	(1,820)
and crediting:		
Foreign exchange gain, net	51	53

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 current quarter and financial year ended 31st December 2016.

20 Disclosure of Realised and Unrealised Profits

	12 months ended 31.12.2016 RM'000	12 months ended 31.12.2015 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	160,208	126,024
- Unrealised	7,818	7,937
	<u>168,026</u>	<u>133,961</u>
Consolidation adjustments	1,968	1,968
Total retained profits	<u>169,994</u>	<u>135,929</u>

21 Events after the reporting period

On 26th January 2017, the Company announced to Bursa Malaysia that it had entered into a conditional sale and purchase agreement ("SPA") with Kamco Aluminium Sdn. Bhd. to acquire a piece of leasehold land measuring approximately 4,240 square meters and held under PN 38146, Lot 338 Seksyen 92, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur together with a factory building erected thereon bearing the postal address Lot 338, Jalan Sungai Besi, 57100 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur for a total cash consideration of RM59,800,000, excluding Good and Services Tax, subject to the terms and conditions as stipulated in the SPA.

- end -

For further information, please contact: Ms. Wan Qian-Wen, Chief Financial Officer at Tel No: 03-78728008.

Full text of the Quarterly Announcement for the financial year ended 31st December 2016 can be accessed through the internet at www.bursamalaysia.com.