

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Statement of Comprehensive Income
for the nine months ended 30th September 2017

	Note	Unaudited 3 months ended		Unaudited 9 months ended	
		30.9.2017 RM'000	30.9.2016 RM'000	30.9.2017 RM'000	30.9.2016 RM'000
Revenue	7	331,613	380,255	1,039,775	1,118,139
Expenses excluding finance cost and tax		(337,455)	(371,381)	(1,049,298)	(1,088,335)
Other operating income					
- dividend income from available-for-sale investment		-	-	11,229	11,229
- interest income		160	113	440	365
- others		3,078	4,195	7,885	8,785
Operating profit/ (loss)		(2,604)	13,182	10,031	50,183
Finance cost- interest expense on borrowings		(1,534)	(1,495)	(4,347)	(2,759)
Profit/ (loss) before tax		(4,138)	11,687	5,684	47,424
Income tax	13	882	(3,401)	333	(9,963)
Total comprehensive income/ (loss) for the financial period	19	(3,256)	8,286	6,017	37,461
Total comprehensive income/ (loss) attributable to shareholders of the Company		(3,256)	8,286	6,017	37,461
		Sen	Sen	Sen	Sen
Basic earnings/ (loss) per share attributable to shareholders of the Company	17	(3.23)	8.22	5.97	37.18

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 2016 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 September 2017

	Note	Unaudited As at 30.9.2017 RM'000	Audited As at 31.12.2016 RM'000
Non-current assets			
Intangible assets		9,842	9,842
Property, plant and equipment		94,305	94,907
Available-for-sale investment		66,003	66,003
Deferred tax assets		9,623	7,177
		<u>179,773</u>	<u>177,929</u>
Current assets			
Inventories		302,733	299,714
Trade and other receivables		89,927	75,550
Tax recoverable		8,663	2,857
Cash and cash equivalents		43,758	47,573
		<u>445,081</u>	<u>425,694</u>
Total assets		<u>624,854</u>	<u>603,623</u>
Non-current liabilities			
Deferred tax liabilities		-	62
Current liabilities			
Provision for liabilities and charges		619	632
Current tax liabilities		21	25
Trade payables and other liabilities		154,938	160,308
Borrowings	15	173,700	148,000
		<u>329,278</u>	<u>308,965</u>
Total liabilities		<u>329,278</u>	<u>309,027</u>
Net assets		<u>295,576</u>	<u>294,596</u>
Equity			
Share capital		124,602	100,745
Share premium		-	23,857
Retained profits		170,974	169,994
Total equity		<u>295,576</u>	<u>294,596</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 2016 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 nine months ended 30th September 2017

	Unaudited			
	Share Capital RM'000	Share Premium RM'000	Retained Profits RM'000	Total RM'000
At 1st January 2017	100,745	23,857	169,994	294,596
Transition to no-par value regime on 31 January 2017 ¹	23,857	(23,857)	-	-
Total comprehensive income for the financial period	-	-	6,017	6,017
Dividend paid for the year ended: - 31st December 2016 (final)	-	-	(5,037)	(5,037)
At 30th September 2017	124,602	-	170,974	295,576
At 1st January 2016	100,745	23,857	135,929	260,531
Total comprehensive income for the financial period	-	-	37,461	37,461
Dividend paid for the year ended: - 31st December 2015 (final)	-	-	(5,037)	(5,037)
At 30th September 2016	100,745	23,857	168,353	292,955

Note¹: The Companies Act 2016 ("the Act"), which came into force on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. Consequently, the amount standing to the credit of the share premium account of RM23,857,000 becomes part of the Company's share capital pursuant to the transitional provisions set out in Section 618(2) of the Act. There is no impact on the number of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition. Pursuant to subsections 618(3) and 618(4) of the Act, the Group may exercise its right to use the credit amounts being transferred from share premium account within 24 months after the commencement of the Act. The Board of Directors will make a decision thereon by 31 January 2019.

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 2016 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 nine months ended 30th September 2017

	Unaudited	
	9 months ended	
	30.9.2017	30.9.2016
	RM'000	RM'000
Operating activities		
Profit before tax	5,684	47,424
<i>Adjustments for:</i>		
Property, plant and equipment:		
- depreciation and amortisation	5,083	4,270
- (gain)/loss on disposal	10	(28)
- write off	23	27
Interest income	(440)	(365)
Dividend income from available-for-sale investment	(11,229)	(11,229)
Finance cost - interest expense on borrowings	4,347	2,759
Provision	(13)	523
Operating profit before changes in working capital	3,465	43,381
Inventories	(3,019)	(133,181)
Receivables	(14,377)	(38,217)
Payables	(5,370)	9,844
Net cash flow used in operations	(19,301)	(118,173)
Interest paid	(4,347)	(2,759)
Interest received	440	365
Income tax paid	(7,985)	(13,036)
Net cash flow used in operating activities	(31,193)	(133,603)
Investing activities		
Proceeds from disposal of plant and equipment	30	94
Purchase of property, plant and equipment	(4,544)	(15,837)
Dividend received from an available-for-sale investment	11,229	11,229
Net cash flow from/ (used in) investing activities	6,715	(4,514)
Financing activities		
Drawdown of bankers acceptance	25,700	97,000
Drawdown on Floorplan	-	30,745
Dividend paid	(5,037)	(5,037)
Net cash flow from financing activities	20,663	122,708
Net change in cash and cash equivalents during the financial period	(3,815)	(15,409)
Cash and cash equivalents at		
Beginning of the financial period	47,573	35,737
End of the financial period	43,758	20,328

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 2016 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 nine months ended 30th September 2017

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 2016.

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 2016 except for the adoption of the following Amendments to MFRSs:

	Effective Date
Amendments to MFRS 107 - Disclosure Initiative	1 January 2017
Amendments to MFRS 112 - Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017

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
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 MFRS 16. The Group is in the process of assessing the financial impact of adopting MFRS 16.

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 nine months ended 30th September 2017.

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 nine months ended 30th September 2017.

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 nine months ended 30th September 2017.

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Notes to the condensed consolidated interim financial statements
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6 Dividends

	9 months ended 30.9.2017		9 months ended 30.9.2016	
	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 2017 (2016: paid on 24th May 2016)	<u>5.00</u>	<u>5,037</u>	<u>5.00</u>	<u>5,037</u>

The Board of Directors does not recommend any interim dividend for the nine months ended 30th September 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 30th September 2017			
Revenue	331,613	-	331,613
Loss before tax	(4,138)	-	(4,138)
Loss after tax	(3,256)	-	(3,256)
3 months ended 30th September 2016			
Revenue	380,255	-	380,255
Profit before tax	11,687	-	11,687
Profit after tax	8,286	-	8,286
9 months ended 30th September 2017			
Revenue	1,039,775	-	1,039,775
Profit/ (loss) before tax	(5,545)	11,229	5,684
Profit/ (loss) after tax	(5,212)	11,229	6,017
9 months ended 30th September 2016			
Revenue	1,118,139	-	1,118,139
Profit before tax	36,195	11,229	47,424
Profit after tax	26,232	11,229	37,461

8 Changes in the Composition of the Group

There were no changes in the composition of the Group for the nine months ended 30th September 2017.

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the condensed consolidated interim financial statements
for the nine months ended 30th September 2017

9 Significant Related Party Transactions

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

	9 months ended	
	30.9.2017	30.9.2016
	RM'000	RM'000
With substantial shareholders and companies related to substantial shareholders:		
Purchase of computer software/peripherals and copier charges from Innovix Distribution Sdn. Bhd. (formerly known as Jardine OneSolution (2001) Sdn. Bhd.)	-	(661)
Purchase of computer software/peripherals and copier charges from JOS Malaysia Sdn. Bhd.	(741)	(697)
Provision of management services by Jardine Cycle & Carriage Limited	(390)	(364)
Purchase of insurance through insurance broker, Jardine Lloyd Thompson Sdn. Bhd.	(365)	(111)
Provision of internal audit services, executive development programme and HR conference by Jardine Matheson & Co., Ltd	(340)	(332)
Provision of management services and leadership and training programme by Cycle & Carriage Industries Pte. Limited	(194)	(175)
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10 Capital Commitments

Capital expenditure of the Group not provided for as at 30th September 2017 in relation to property, plant and equipment were as follows:

	RM'000
Approved and contracted	45,985
Approved but not contracted	-
	<hr/> <hr/> 45,985

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

The Group recorded a loss before tax of RM4.1 million in the third quarter as compared to a profit before tax of RM9.0 million in the preceding quarter mainly due to the recognition of MBM dividend in the preceding quarter and losses from Retail operations in the third 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 nine months ended 30th September 2017

13 Taxation

	3 months ended		6 months ended	
	30.9.2017	30.9.2016	30.9.2017	30.9.2016
	RM'000	RM'000	RM'000	RM'000
Income tax	882	(3,401)	333	(9,963)

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

	3 months ended		9 months ended	
	30.9.2017	30.9.2016	30.9.2017	30.9.2016
	%	%	%	%
Statutory income tax rate in Malaysia	24	24	24	24
Expenses not deductible for tax purposes	-	-	15	1
Income not subject to tax	-	-	(47)	(6)
Prior year under provision	(3)	5	2	2
Average effective tax rate	21	29	(6)	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 September 2017:

	RM'000
Banker acceptance (unsecured)	173,700

16 Changes in Material Litigation

There were no 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		9 months ended	
	30.9.2017	30.9.2016	30.9.2017	30.9.2016
Net profit/ (loss) attributable to shareholders of the Company (RM'000)	(3,256)	8,286	6,017	37,461
Weighted average number of ordinary shares in issue ('000)	100,745	100,745	100,745	100,745
Basic earnings/ (loss) per share (sen)	(3.23)	8.22	5.97	37.18

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 nine months ended 30th September 2017

18 Qualification of Audit Report

The Group's financial statements for the preceding year ended 31st December 2016 were not subject to any qualification by the auditors.

19 Notes to the Statement of Comprehensive Income

	3 months ended 30.9.2017 RM'000	9 months ended 30.9.2017 RM'000
Net profit/ (loss) for the financial period is arrived at after charging:		
Depreciation and amortisation	1,712	5,083
Impairment loss on trade receivables, net	1,333	3,593
Write-down of inventories, net	3,815	5,136
Foreign exchange loss, net	49	57

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 nine months ended 30th September 2017.

20 Disclosure of Realised and Unrealised Profits

	9 months ended 30.9.2017 RM'000	12 months ended 31.12.2016 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	158,667	160,208
- Unrealised	10,339	7,818
	<u>169,006</u>	<u>168,026</u>
Consolidation adjustments	1,968	1,968
Total retained profits	<u>170,974</u>	<u>169,994</u>

21 Events after the reporting period

There were no material events between 1st October 2017 and the date of issue of this quarterly report.

- 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 nine months ended 30th September 2017 can be accessed through the internet at www.bursamalaysia.com.