

**CCK CONSOLIDATED HOLDINGS BERHAD**

(Incorporated in Malaysia)

Company No:396692-T

**INTERIM FINANCIAL STATEMENTS**

for the Financial Period Ended 31 March 2019

## CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Company No. 396692-T

Interim Report for the First Financial Quarter Ended 31 March 2019

### CONDENSED STATEMENTS OF FINANCIAL POSITION

	<b>As at 31.3.2019 RM'000 (Unaudited)</b>	<b>As at 31.12.2018 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Investment in an associate	22,319	21,234
Investment properties	17,190	17,212
Property, plant and equipment	174,312	173,431
Goodwill	380	380
Deferred tax assets	1,378	1,378
	<hr/> 215,579	<hr/> 213,635
<b>CURRENT ASSETS</b>		
Inventories	60,119	55,221
Biological assets	15,988	14,257
Trade receivables	36,424	39,095
Other receivables, deposits and prepayments	13,960	13,855
Current tax assets	2,682	2,393
Deposits with licensed banks	6,592	7,969
Cash and bank balances	23,005	24,076
	<hr/> 158,770	<hr/> 156,866
<b>TOTAL ASSETS</b>	<hr/> 374,349	<hr/> 370,501
<b>EQUITY AND LIABILITIES</b>		
Share capital	158,969	158,969
Treasury shares	(1,653)	(1,614)
Foreign exchange translation reserve	(4,379)	(4,482)
Retained profits	104,642	97,246
	<hr/> 257,579	<hr/> 250,119
Total Equity Attributable to Owners of the Company		
Non-controlling interests	446	433
	<hr/> 258,025	<hr/> 250,552
<b>TOTAL EQUITIES</b>	<hr/> <hr/> 258,025	<hr/> <hr/> 250,552

The Condensed Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

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Interim Report for the First Financial Quarter Ended 31 March 2019

**CONDENSED STATEMENTS OF FINANCIAL POSITION (CONT'D)**

	<b>As at 31.3.2019 RM'000 (Unaudited)</b>	<b>As at 31.12.2018 RM'000 (Audited)</b>
<b>NON-CURRENT LIABILITIES</b>		
Other payables, deposits and accruals	6,609	6,609
Bank borrowings	4,295	3,879
Deferred income	19	19
Deferred tax liabilities	10,189	10,187
	<hr/> 21,112	<hr/> 20,694
<b>CURRENT LIABILITIES</b>		
Trade payables	28,507	27,890
Other payables, deposits and accruals	14,445	15,805
Bank borrowings:-		
- bank overdrafts	247	1,963
- other borrowings	48,894	50,015
Provision for employee benefits	678	676
Current tax liabilities	2,441	2,906
	<hr/> 95,212	<hr/> 99,255
<b>TOTAL LIABILITIES</b>	<hr/> 116,324	<hr/> 119,949
<b>TOTAL EQUITIES&amp; LIABILITIES</b>	<hr/> 374,349	<hr/> 370,501
Net assets per share (RM)	<hr/> 0.41	<hr/> 0.40

The Condensed Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

## CCK CONSOLIDATED HOLDINGS BERHAD

(Company No. 396692-T)

(Incorporated in Malaysia)

Interim Report for the First Financial Quarter Ended 31 March 2019

### CONDENSED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

	Share Capital RM'000	Treasury Shares RM'000	Foreign Exchange Translation Reserve RM'000	Distributable Retained Profits RM'000	Attributable to owners of the Company RM'000	Non- controlling Interest RM'000	Total Equity RM'000
<b>At 31 March 2019</b>							
<b>Balance at 1.1.2019</b>	158,969	(1,614)	(4,482)	97,246	250,119	433	250,552
Profit after taxation	-	-	-	7,396	7,396	13	7,409
- foreign currency translation difference	-	-	103	-	103	-	103
Total comprehensive income for the financial period	-	-	103	7,396	7,449	13	7,512
Contributions by and distributors to owners of the Company:-							
- Purchase of treasury shares	-	(39)	-	-	(39)	-	(39)
Total Transactions with owners	-	(39)	-	-	(39)	-	(39)
<b>Balance at 31.3.2019</b>	158,969	(1,653)	(4,379)	104,642	257,579	446	258,025

The Condensed Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

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Interim Report for the First Financial Quarter Ended 31 March 2019

**CONDENSED STATEMENTS OF CHANGES IN EQUITY (CONT'D) (UNAUDITED)**

	Share Capital RM'000	Exchange Translation RM'000	Revaluation Reserve RM'000	Retained Profits RM'000	Attributable to owners of the Company RM'000	Non- controlling Interest RM'000	Total Equity RM'000
<b>At 31 MARCH 2018</b>							
<b>Balance at 1.1.2018</b>							
- as previously stated	158,969	(3,158)	47,390	52,421	255,622	401	256,023
- effect of adopting MFRSs	-	-	(47,390)	40,368	(7,022)	-	(7,022)
- as restated	158,969	(3,158)	-	92,789	248,600	401	249,001
Profit after taxation	-	-	-	12,411	12,411	10	12,421
Other comprehensive income for the period:-							
- foreign currency translation difference	-	2,866	-	-	2,866	10	2,876
Total comprehensive income for the period	-	2,866	-	12,411	15,277	20	15,297
<b>Balance at 31.3.2018</b>	158,969	(292)	-	105,200	263,877	421	264,298

The Condensed Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

## CCK CONSOLIDATED HOLDINGS BERHAD

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Interim Report for the First Financial Quarter Ended 31 March 2019

### CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.3.2019 (Unaudited) RM'000	Preceding year Corresponding Quarter 31.3.2018 (Unaudited) RM'000	Current Year to-Date 31.3.2019 (Unaudited) RM'000	Preceding year Corresponding Year to-Date 31.3.2018 (Unaudited) RM'000
Revenue	155,270	153,655	155,270	153,655
Cost of sales	(124,028)	(118,213)	(124,028)	(118,213)
<b>Gross profit</b>	<b>31,242</b>	<b>35,442</b>	<b>31,242</b>	<b>35,442</b>
Other income	703	2,641	703	2,641
Distribution costs	-	-	-	-
Administrative expenses	(7,627)	(7,472)	(7,627)	(7,472)
Other operating expenses	(14,919)	(15,402)	(14,919)	(15,402)
Share of results in an associate	1,085	1,346	1,085	1,346
Finance costs	(883)	(601)	(883)	(601)
<b>Profit before taxation</b>	<b>9,601</b>	<b>15,954</b>	<b>9,601</b>	<b>15,954</b>
Income tax expense	(2,192)	(3,533)	(2,192)	(3,533)
<b>Profit after taxation</b>	<b>7,409</b>	<b>12,421</b>	<b>7,409</b>	<b>12,421</b>
<b>Other comprehensive income for the financial period:-</b>				
- foreign currency translation difference	103	2,876	103	2,876
<b>Total comprehensive income for the financial period</b>	<b>7,512</b>	<b>15,297</b>	<b>7,512</b>	<b>15,297</b>
<b>Profit after taxation attributable to:</b>				
- Owners of the Company	7,396	12,411	7,396	12,411
- Non-controlling interests	13	10	13	10
	<b>7,409</b>	<b>12,421</b>	<b>7,409</b>	<b>12,421</b>
<b>Total comprehensive income attributable to:</b>				
- Owners of the Company	7,499	15,277	7,499	15,277
- Non-controlling interests	13	20	13	20
	<b>7,512</b>	<b>15,297</b>	<b>7,512</b>	<b>15,297</b>

The Condensed Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

## CCK CONSOLIDATED HOLDINGS BERHAD

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Interim Report for the First Financial Quarter Ended 31 March 2019

### CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current	Preceding year	Current	Preceding year
	Year Quarter	Corresponding	Year to-Date	Corresponding
	31.3.2019	Quarter	31.3.2019	Year to-Date
	(Unaudited)	31.3.2018	(Unaudited)	31.3.2018
		(Restated)		(Restated)
<b>Earnings per share(Sen):</b>				
- Basic	1.17	1.97	1.17	1.97
- Diluted	N/A	N/A	N/A	N/A

The Condensed Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

## CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

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Interim Report for the First Financial Quarter Ended 31 March 2019

### CONDENSED STATEMENTS OF CASH FLOWS

	3-month period ended	
	<u>31.3.2019</u>	<u>31.3.2018</u>
	(Unaudited)	(Unaudited)
	RM'000	RM'000
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
<b>Profit before taxation</b>	9,601	15,954
<b>Adjustments for non-cash items:-</b>		
Non-cash items	3,382	5,594
Interest expenses	883	601
Interest income	(113)	(85)
Share of results in an associate	(1,085)	(1,346)
<b>Operating profit before working capital changes</b>	12,668	20,718
(Increase)/decrease in current assets	(2,393)	714
Decrease in current liabilities	(1,028)	(6,173)
<b>Cash from operations</b>	9,247	15,259
Interest paid	(883)	(601)
Interest received	113	85
Income tax refunded	59	-
Income tax paid	(2,807)	(2,212)
<b>Net cash from operating activities</b>	5,729	12,531
<b><u>CASH FLOWS FOR INVESTING ACTIVITIES</u></b>		
Proceeds from disposal of property, plant and equipment	42	-
Purchase of property, plant and equipment	(5,779)	(8,203)
<b>Net cash for investing activities</b>	(5,737)	(8,203)
Balance carried forward	(8)	4,328

The Condensed Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

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Interim Report for the First Financial Quarter Ended 31 March 2019

**CONDENSED STATEMENTS OF CASH FLOWS (CONT'D)**

	<b>3-month period ended</b>	
	<b><u>31.3.2019</u></b>	<b><u>31.3.2018</u></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>RM'000</b>	<b>RM'000</b>
Balance brought forward	(8)	4,328
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>		
Drawdown from borrowings	902	-
Proceeds from purchase of treasury shares	(39)	-
Repayment of borrowings	(1,606)	(4,080)
<b>Net cash for financing activities</b>	<b>(743)</b>	<b>(4,080)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(751)</b>	<b>248</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>20</b>	<b>857</b>
<b>Cash and cash equivalents at beginning of the financial year</b>	<b>30,081</b>	<b>35,494</b>
<b>Cash and cash equivalents at end of the financial year</b>	<b>29,350</b>	<b>36,599</b>

The Condensed Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

## **CCK CONSOLIDATED HOLDINGS BERHAD**

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Interim Report for the First Financial Quarter Ended 31 March 2019

### **A. EXPLANATORY NOTES PURSUANT TO MFRS 134**

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#### **A1. BASIS OF PREPARATION**

The condensed consolidated interim financial statements as contained in this interim financial report are unaudited and have been prepared under historical cost convention except otherwise stated.

These unaudited interim financial statements have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: *Interim Financial Reporting* issued by Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements ("MMLR") issued by Bursa Malaysia Securities Berhad ("Bursa Malaysia").

These unaudited interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2018. These explanatory notes attached to the interim 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 2018.

#### **A2. SEASONALITY OR CYCLICALITY OF OPERATIONS**

The Group's business operations were not affected by any significant seasonality or cyclicity factors in the current financial period.

#### **A3. UNUSUAL ITEMS**

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual in nature, size, or incidence for the financial period under review.

#### **A4. MATERIAL CHANGES IN ESTIMATES**

There were no changes in estimates that have had a material effect on the results of the Group for the period under review.

#### **A5. DEBT AND EQUITY SECURITIES**

There were no issuances, cancellations, resale or repayments of debts and equity securities for the period under review.

#### **A6. DIVIDENDS PAID**

No dividend has been paid for the current quarter during the financial period under review.

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Interim Report for the First Financial Quarter Ended 31 March 2019

### **A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)**

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#### **A7. SEGMENT REPORTING**

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Managing Director as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 5 main reportable segments as follows:-

- Poultry Segment – involved in the rearing and production of poultry products.
  - Prawn Segment – involved in the rearing and production of prawn and seafood products.
  - Food Service Segment – involved in the supply and trading of food products and related services.
  - Retail Segment – involved in the trading of coldstorage products.
  - Corporate Segment – involved in the provision of management services.
- (a) Each reportable segment asset is measured based on all assets (including goodwill) of the segment other than investment in an associate and tax-related assets.
- (b) Each reportable segment liability is measured based on all liabilities of the segment other than tax-related liabilities.
- (c) Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Unallocated items comprise mainly head office expenses.
- (d) Transactions between reportable segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation

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Interim Report for the First Financial Quarter Ended 31 March 2019

**A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)****A8. SEGMENT REPORTING (CONT'D)**

<b>3 months period ended 31 March 2019</b>	<b>Poultry</b>	<b>Prawn</b>	<b>Food Service</b>	<b>Retail</b>	<b>Corporate</b>	<b>Eliminations</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>REVENUE</b>							
External revenue	29,280	5,277	4,145	116,568	-	-	155,270
Inter-segment revenue	43,185	5,161	4	24,852	91	(73,293)	-
<b>Total segment revenue</b>	<b>72,465</b>	<b>10,438</b>	<b>4,149</b>	<b>141,420</b>	<b>91</b>	<b>(73,293)</b>	<b>155,270</b>
<b>RESULTS</b>							
Segment results	2,833	(237)	275	6,734	(206)	-	9,399
Finance costs							(883)
Share of results in an associate							1,085
Profit before taxation							9,601

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Interim Report for the First Financial Quarter Ended 31 March 2019

**A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)****A8. SEGMENT REPORTING (CONT'D)**

<b>3 months period ended 31 March 2018</b>	<b>Poultry</b>	<b>Prawn</b>	<b>Food Service</b>	<b>Retail</b>	<b>Corporate</b>	<b>Eliminations</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>REVENUE</b>							
External revenue	24,226	4,422	4,130	120,877	-	-	153,655
Inter-segment revenue	47,292	3,541	4	20,459	92	(71,388)	-
<b>Total segment revenue</b>	<b>71,518</b>	<b>7,963</b>	<b>4,134</b>	<b>141,336</b>	<b>92</b>	<b>(71,388)</b>	<b>153,655</b>
<b>RESULTS</b>							
Segment results	4,907	(402)	508	10,402	(206)	-	15,209
Finance costs							(601)
Share of results in an associate							1,346
Profit before taxation							15,954

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**A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)****A8. SEGMENT REPORTING (CONT'D)**

<b>ASSETS</b>	<b>Poultry RM'000</b>	<b>Prawn RM'000</b>	<b>Food Service RM'000</b>	<b>Retail RM'000</b>	<b>Corporate RM'000</b>	<b>Consolidated RM'000</b>
<b>31 March 2019</b>						
Segment assets						
Unallocated assets:-	82,571	28,567	9,577	220,992	5,883	347,590
Investment in an associate						22,319
Goodwill						380
Deferred tax assets						1,378
Current tax assets						2,682
Consolidated total assets						<u>374,349</u>
<b>31 March 2018</b>						
Segment assets	102,427	15,285	10,085	230,494	400	358,691
Unallocated assets:-						
Investment in an associate						22,016
Deferred tax assets						868
Unallocated assets						1,694
Consolidated total assets						<u>383,269</u>

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**A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)****A8. SEGMENT REPORTING (CONT'D)**

<b>LIABILITIES</b>	<b>Poultry</b>	<b>Prawn</b>	<b>Food Service</b>	<b>Retail</b>	<b>Corporate</b>	<b>Consolidated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>31 March 2019</b>						
Segment liabilities	24,552	2,270	1,623	45,397	32,029	105,871
Unallocated liabilities:-						
Deferred tax liabilities						10,189
Current tax liabilities						2,441
Unallocated liabilities and adjustments						(2,177)
Consolidated total liabilities						<u>116,324</u>
<b>31 March 2018</b>						
Segment liabilities	22,929	1,484	1,441	49,352	27,118	102,324
Unallocated liabilities:-						
Deferred tax liabilities						12,994
Unallocated liabilities and adjustments						3,653
Consolidated total liabilities						<u>118,971</u>

## CCK CONSOLIDATED HOLDINGS BERHAD

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Interim Report for the First Financial Quarter Ended 31 March 2019

### A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)

#### A8. SEGMENT REPORTING (CONT'D)

Accordingly, no further segmental analysis is available for disclosures except for the following entity-wide disclosures as required by MFRS 8:-

#### GEOGRAPHICAL INFORMATION

Revenue is based on the country in which the customers are located.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments and deferred tax assets.

<i>Revenue</i>	<b>3-month ended</b>		<b>Cumulative Quarter</b>	
	<b>31.3.2019</b>	<b>31.3.2018</b>	<b>31.3.2019</b>	<b>31.3.2018</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Australia	887	-	887	-
Hong Kong	324	432	324	432
Indonesia	24,882	24,727	24,882	24,727
Japan	1,799	1,078	1,799	1,078
Middle East	-	530	-	530
Malaysia	127,250	126,888	127,250	126,888
Vietnam	128	-	128	-
	<b>155,270</b>	<b>153,655</b>	<b>155,270</b>	<b>153,655</b>

<i>Non-current assets</i>	<b>As at</b>	
	<b>31.3.2019</b>	<b>31.3.2018</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>RM'000</b>	<b>RM'000</b>
Indonesia	29,578	33,775
Malaysia	184,623	192,978
	<b>214,201</b>	<b>226,753</b>

#### MAJOR CUSTOMERS

There is no single customer that contributed 10% or more to the Group's revenue.

## **CCK CONSOLIDATED HOLDINGS BERHAD**

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Interim Report for the First Financial Quarter Ended 31 March 2019

### **A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)**

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#### **A9. PROPERTY, PLANT AND EQUIPMENT**

##### **a) Acquisition and Disposals**

During the 3-month period ended 31 March 2019, the Group acquired assets at a total cost of RM6 million and there was immaterial disposal during the current quarter.

##### **b) Impairment Losses**

Neither losses from impairment of property, plant and equipment nor reversal of such impairment losses were recognised for the period under review.

##### **c) Valuations**

The Group did not carry out any additional valuation on its property, plant and equipment during the period under review.

#### **A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD**

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

#### **A11. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the current quarter and financial period under review.

#### **A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

There were no contingent liabilities or contingent assets as at the date of this report.

#### **A13. CAPITAL COMMITMENTS**

There were no material changes in capital commitments since the end of the previous financial quarter except as disclosed in the explanatory notes.

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Interim Report for the First Financial Quarter Ended 31 March 2019

### A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)

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#### A14. RELATED PARTY DISCLOSURES

The Group carried out the following significant transactions with the related parties during the period under review:-

	3-month ended		Cumulative Quarter	
	31.3.2019 (Unaudited) RM'000	31.3.2018 (Restated) RM'000	31.3.2019 (Unaudited) RM'000	31.3.2018 (Restated) RM'000
Purchase of products	31,697	27,950	31,697	27,950
Service fee	-	1	-	1
Sale of products	60	113	60	113
Advisory income	2	-	2	-
Forwarding charges	1	-	1	-

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#### A15. CASH AND CASH EQUIVALENTS

	As at	
	31.3.2019 (Unaudited) RM'000	31.3.2018 (Unaudited) RM'000
Cash and bank balances	23,005	28,253
Deposits with licensed banks	6,592	10,916
Bank overdrafts, secured	(247)	(2,570)
	<hr/> 29,350	<hr/> 36,599

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## CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Company No. 396692-T

Interim Report for the First Financial Quarter Ended 31 March 2019

### B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

#### B1. REVIEW OF OPERATING PERFORMANCE

	←--Individual Quarter/Cumulative Quarter--→			
	Current Year Quarter 31.3.2019 (Unaudited) RM'000	Preceding Year Quarter 31.3.2018 (Unaudited) RM'000	Variances	
			RM'000	%
Revenue	155,270	153,655	1,165	1
Gross profits	31,242	35,442	(4,200)	(12)
Profit before taxation	9,601	15,954	(6,353)	(40)
Profit after taxation	7,409	12,421	(5,012)	(40)
Profit after taxation attributable to owners of the Company	7,396	12,411	(5,015)	(40)

#### Analysis of the results for the 3-month ended 31 March 2019 against 3-month ended 31 March 2018

##### Revenue

For the first quarter ended 31 March 2019, the Group recorded a revenue of RM155.27 million, representing an increase of approximately 1.05% over the same period last year whereby the revenue was recorded at RM153.65 million.

Revenue contribution from our Indonesian operations remained at 16% of the Group's total revenue. The Group ended the first quarter of 2019 with 57 stores (2018 : 56 stores).

##### Profit before tax

Correspondingly, the Group's profit before tax declined 39.82% from RM15.95 million in 2018 to RM9.6 million in 2019.

The strengthening of the USD/MYR of approximately 4.24% in the first quarter of 2019 when compared to the same quarter in 2018, affected our gross margins. The gross margin for the first quarter of 2019 was 20% whereas, the gross margin for the same quarter in 2018 was 23%. The biggest impact was on the cost of feed for the poultry segment and cost of imported products (beef, lamb, fish etc) for the retail segment.

Other income declined by 73% when compared to the same period last year. In the first quarter of 2018, an insurance compensation of RM2 million was received for a fire at one of the Group's subsidiaries.

The share of results of our associate declined from RM1.3 million in 2018 to RM1 million in 2019.

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### B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

#### B2. COMPARISON WITH THE IMMEDIATE PRECEDING QUARTER'S RESULTS

	←-----Individual Quarter-----→			
	Current Year Quarter 31.3.2019 (Unaudited) RM'000	Immediate Preceding Quarter 31.12.2018 (Unaudited) RM'000	Variances	
			RM'000	%
Revenue	155,270	151,923	3,347	2
Gross profits	31,242	26,427	4,815	18
Profit before taxation	9,601	5,685	3,943	70
Profit after taxation	7,409	4,021	3,388	84
Profit after taxation attributable to owners of the Company	7,396	4,017	3,379	84

#### Revenue

Revenue for the current quarter improved by 2.2% against the immediate preceding quarter. The retail segment led the way with an increase in revenue of 0.9%. Amongst the contributory factors for the increase in revenue was an increase in the average selling price of table eggs by approximately 3.8% when compared to the previous quarter. The Group ended the quarter with 57 stores, as opposed to 56 stores in the previous quarter.

#### Profit before tax

The Group's profit before tax increased by approximately 70% from the immediate preceding quarter. This quarter, the Group achieved a gross margin of 20%, as opposed to a gross margin of 18% in the immediate preceding quarter, with better margins from our retail stores.

The improvement of the average egg prices per tray by 3.8% from the immediate preceding quarter was another contributory factor towards the better margins.

In addition, with the weakening of the USD/MYR by approximately 1.94% this quarter comparing to the last quarter, the poultry sector benefitted with improved feed prices. The retail segment's imports were better priced as opposed to the previous quarter.

#### B3. FUTURE PROSPECTS

Based on the current quarter's performance coupled with continuous cost cutting measures, evolving marketing and pricing strategies and expected improved performance from our Indonesian operations, the Group is confident that the performance for the rest of the year will be positive. The Group is expected to open 3 more new outlets in the coming year and will continue to source for locations to expand our retail network.

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### B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

#### B4. VARIANCE OF ACTUAL FINANCIAL RESULTS FROM FINANCIAL ESTIMATES, FORECASTS, PROJECTIONS OR INTERNAL TARGETS

The disclosure requirements for explanatory notes for the variance of the actual financial results after tax and minority interest against financial estimates, forecasts, projections or internal targets are not applicable to the Group.

#### B5. INCOME TAX EXPENSE

	3-month ended		Cumulative Quarter	
	31.3.2019 (Unaudited) RM'000	31.3.2018 (Unaudited) RM'000	31.3.2019 (Unaudited) RM'000	31.3.2018 (Unaudited) RM'000
Current tax	2,192	3,533	2,192	3,533
Effective tax rate	23%	22%	23%	22%

The effective tax rate of the Group for the current financial quarter was lower than the statutory tax rate principally due to tax losses incurred by certain subsidiary companies.

#### B6. STATUS OF CORPORATE PROPOSALS

There were no significant developments or changes in the corporate proposals.

#### B7. GROUP BORROWINGS

Details of the secured Group borrowings are as follows:-

	RM Denomination		Foreign Denomination	
	As at		As at	
	31.3.2019 (Unaudited) RM'000	31.3.2018 (Unaudited) RM'000	31.3.2019 (Unaudited) RM'000	31.3.2018 (Unaudited) RM'000
<b>Current:-</b>				
- bank overdrafts	247	2,570	-	-
- banker's acceptance	26,394	17,707	-	-
- revolving credit	22,500	28,500	-	-
- term loans	-	184	-	184
	49,141	48,961	-	184
<b>Non-current:-</b>				
- term loans	213	-	-	-
	4,082	2,395	-	-
	<b>53,436</b>	<b>51,356</b>	-	184

The foreign denominated borrowings of the Group is Indonesian Rupiah ("RP") and it has been translated at rate of RP0.000287 (31.12.2018: RP0.000286)

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### B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

#### B8. MATERIAL LITIGATION

There was no litigation against the Group during the current quarter.

#### B9. DIVIDEND PAYABLE

The Board of Directors did not recommend any payment of dividend during the current quarter and financial period under review. The directors have proposed a first and final single tier dividend of 1.25 sen per ordinary share in respect of the financial year ended 31 December 2018 payable on 28 June 2019 to depositors whose names appear in the Record of Depositors on 31 May 2019.

#### B10. EARNINGS PER SHARE

##### Basic:-

The basic earnings per share is based on the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the current quarter.

	3-month ended		Cumulative quarter	
	31.3.2019 (Unaudited)	31.3.2018 (Unaudited)	31.3.2019 (Unaudited)	31.3.2018 (Unaudited)
Profit attributable to owners of the Company (RM'000)	7,396	12,411	7,396	12,411
Weighted average number of ordinary shares at 1 January ('000)	315,359	315,359	315,359	315,359
Effect of treasury shares held	(24)	-	(24)	-
Effect of share split – subdivision of 1 into 2 ordinary shares *	315,359	315,359	315,359	315,359
Weighted average number of ordinary shares at 31 March ('000)	630,694	630,718	630,694	630,718
Basic earnings per share (Sen)	1.17	1.97	1.17	1.97

\* Comparative figures for the weighted average number of ordinary shares in issue for the basic earnings per ordinary share computations have been restated to reflect the adjustments arising from the share split/subdivision of shares, which were completed on 13 June 2018.

##### Diluted:-

The diluted earnings per share was not applicable as there were no dilutive potential ordinary shares outstanding during the current quarter.

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### B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

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#### B11. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:-

	3-month ended		Cumulative Quarter	
	31.3.2019	31.3.2018	31.3.2019	31.3.2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RM'000	RM'000	RM'000	RM'000
<b>After charging/(crediting)-</b>				
Allowance for impairment losses on receivables	138	40	138	40
Allowance for impairment losses on receivables no longer required	(11)	-	(11)	-
Depreciation and amortisation	4,896	5,220	4,896	5,220
(Gain)/loss on fair value changes in biological assets	(2,259)	344	(2,259)	344
Loss on disposal of property, plant and equipment	94	-	94	-
Loss/(gain) on foreign exchange:-				
- realised	18	(8)	18	(8)
- unrealised	(4)	-	(4)	-
Interest expense	883	601	883	601
Interest income	(113)	(85)	(113)	(85)

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#### B12. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2018 was not subject to any qualification.

#### B13. FINANCIAL INSTRUMENTS

The Group does not have any derivative financial instruments.

#### B14. AUTHORISATION FOR ISSUE

The quarterly report was authorised for issue by the Board of Directors on 28 May 2019.