

**CCK CONSOLIDATED HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No:199601024340 (396692-T)

**INTERIM FINANCIAL STATEMENTS**

for the Financial Period Ended 31 March 2022

## CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

### CONDENSED STATEMENTS OF FINANCIAL POSITION

	<b>As at 31.3.2022 RM'000 (Unaudited)</b>	<b>As at 31.12.2021 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Investment in an associate	26,022	35,221
Investment properties	16,077	16,104
Property, plant and equipment	202,658	204,635
Goodwill	380	380
Deferred tax assets	1,792	1,792
	<hr/> 246,929	<hr/> 258,132
<b>CURRENT ASSETS</b>		
Inventories	74,507	57,162
Biological assets	14,555	13,560
Trade receivables	38,920	35,967
Other receivables, deposits and prepayments	11,965	9,649
Current tax assets	2,410	2,844
Deposits with licensed banks	7,078	6,319
Cash and bank balances	50,787	51,463
	<hr/> 200,222	<hr/> 176,964
<b>TOTAL ASSETS</b>	<hr/> 447,151	<hr/> 435,096
<b>EQUITY AND LIABILITIES</b>		
Share capital	158,969	158,969
Treasury shares	(3,667)	(2,432)
Foreign exchange translation reserve	(3,433)	(3,433)
Retained profits	172,186	161,053
	<hr/> 324,055	<hr/> 314,157
Total Equity Attributable to Owners of the Company		
Non-controlling interests	92	92
	<hr/> 324,147	<hr/> 314,249
<b>TOTAL EQUITIES</b>	<hr/> <hr/> 324,147	<hr/> <hr/> 314,249

The Condensed Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

**CCK CONSOLIDATED HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

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

	<b>As at 31.3.2022 RM'000 (Unaudited)</b>	<b>As at 31.12.2021 RM'000 (Audited)</b>
<b>NON-CURRENT LIABILITIES</b>		
Other payables, deposits and accruals	-	-
Lease liabilities	15,896	15,896
Bank borrowings	7,729	7,133
Deferred income	-	-
Deferred tax liabilities	8,374	8,381
	<hr/> 31,999	<hr/> 31,410
<b>CURRENT LIABILITIES</b>		
Trade payables	36,646	27,252
Other payables, deposits and accruals	8,415	21,959
Bank borrowings:-		
- bank overdrafts	723	576
- other borrowings	36,151	32,605
Lease liabilities	3,107	3,107
Provision for employee benefits	857	857
Current tax liabilities	5,106	3,081
	<hr/> 91,005	<hr/> 89,437
<b>TOTAL LIABILITIES</b>	<hr/> 123,004	<hr/> 120,847
<b>TOTAL EQUITIES&amp; LIABILITIES</b>	<hr/> 447,151	<hr/> 435,096
	<hr/>	<hr/>
Net assets per share (RM)	0.52	0.50

The Condensed Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

## CCK CONSOLIDATED HOLDINGS BERHAD

Registration No. 199601024340 (396692-T)

(Incorporated in Malaysia)

Interim Report for the First Financial Quarter Ended 31 March 2022

### 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 2022</b>							
<b>Balance at 1.1.2022</b>	158,969	(2,432)	(3,433)	161,053	314,157	92	314,249
Profit after taxation	-	-	-	11,133	11,133	-	11,133
- foreign currency translation difference	-	-	-	-	-	-	-
Total comprehensive income for the financial period	-	-	-	11,133	11,133	-	11,133
Contributions by and distributors to owners of the Company:-							
- Purchase of treasury shares	-	(1,235)	-	-	(1,235)	-	(1,235)
Total Transactions with owners	-	-	-	-	-	-	-
<b>Balance at 31.3.2022</b>	158,969	(3,667)	(3,433)	172,186	324,055	92	324,147

The Condensed Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

**CCK CONSOLIDATED HOLDINGS BERHAD**

Registration No. 199601024340 (396692-T)

(Incorporated in Malaysia)

Interim Report for the First Financial Quarter Ended 31 March 2022

**CONDENSED STATEMENTS OF CHANGES IN EQUITY (CONT'D) (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 2021</b>							
<b>Balance at 1.1.2021</b>							
- as previously stated	158,969	(2,432)	(4,666)	149,061	300,932	92	301,024
Profit after taxation	-	-	-	6,061	6,061	-	6,061
Other comprehensive income for the period:-							
- foreign currency translation difference	-	-	(192)	-	(192)	-	(192)
Total comprehensive income for the financial period	-	-	(192)	6,061	5,869	-	5,869
Contributions by and distributors to owners of the Company:-							
-Purchase of treasury shares	-	-	-	-	-	-	-
Total Transactions with owners	-	-	-	-	-	-	-
<b>Balance at 31.3.2021</b>	158,969	(2,432)	(4,858)	155,122	306,801	92	306,893

The Condensed Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

## CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.3.2022 (Unaudited) RM'000	Preceding year Corresponding Quarter 31.3.2021 (Unaudited) RM'000	Current Year to-Date 31.3.2022 (Unaudited) RM'000	Preceding year Corresponding Year to-Date 31.3.2021 (Unaudited) RM'000
Revenue	197,434	163,669	197,434	163,669
Cost of sales	(156,806)	(130,693)	(156,806)	(130,693)
<b>Gross profit</b>	<b>40,628</b>	<b>32,976</b>	<b>40,628</b>	<b>32,976</b>
Other income	1,162	1,120	1,162	1,120
Administrative expenses	( 8,121)	(6,012)	(8,121)	(6,012)
Other operating expenses	(20,191)	(21,050)	(20,191)	(21,050)
Share of results in an associate	1,899	1,383	1,899	1,383
Finance costs	(866)	(521)	(866)	(521)
<b>Profit before taxation</b>	<b>14,511</b>	<b>7,896</b>	<b>14,511</b>	<b>7,896</b>
Income tax expense	(3,378)	(1,835)	(3,378)	(1,835)
<b>Profit after taxation</b>	<b>11,133</b>	<b>6,061</b>	<b>11,133</b>	<b>6,061</b>
<b>Other comprehensive income for the financial period:-</b>				
- foreign currency translation difference	-	(192)	-	(192)
<b>Total comprehensive income for the financial period</b>	<b>11,133</b>	<b>5,869</b>	<b>11,133</b>	<b>5,869</b>
<b>Profit after taxation attributable to:</b>				
- Owners of the Company	11,133	6,061	11,133	6,061
- Non-controlling interests	-	-	-	-
	<b>11,133</b>	<b>6,061</b>	<b>11,133</b>	<b>6,061</b>
<b>Total comprehensive income attributable to:</b>				
- Owners of the Company	11,133	5,869	11,133	5,869
- Non-controlling interests	-	-	-	-
	<b>11,133</b>	<b>5,869</b>	<b>11,133</b>	<b>5,869</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 2021 and the accompanying explanatory notes attached to the interim financial statements.

## CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.3.2022 (Unaudited)	Preceding year Corresponding Quarter 31.3.2021 (Unaudited)	Current Year to-Date 31.3.2022 (Unaudited)	Preceding year Corresponding Year to-Date 31.3.2021 (Unaudited)
<b>Earnings per share(Sen):</b>				
- Basic	1.78	0.97	1.78	0.97
- 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 2021 and the accompanying explanatory notes attached to the interim financial statements.

## CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

### CONDENSED STATEMENTS OF CASH FLOWS

	3-months period ended	
	<u>31.3.2022</u>	<u>31.3.2021</u>
	(Unaudited)	(Unaudited)
	RM'000	RM'000
<b><u>CASH FLOWS FOR OPERATING ACTIVITIES</u></b>		
<b>Profit before taxation</b>	14,511	7,896
<b>Adjustments for non-cash items:-</b>		
Non-cash items	4,147	6,325
Interest expenses	866	521
Interest income	(43)	(51)
Share of results in an associate	(1,899)	(1,383)
<b>Operating profit before working capital changes</b>	17,582	13,308
Increase in current assets	(22,604)	(11,545)
Decrease in current liabilities	(3,289)	(2,319)
<b>Cash for operations</b>	(8,311)	(556)
Interest paid	(866)	(521)
Interest received	43	51
Income tax refunded	-	-
Income tax paid	(1,787)	(2,284)
<b>Net cash for operating activities</b>	(10,921)	(3,310)
<b><u>CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES</u></b>		
Proceeds from disposal of property, plant and equipment	2	-
Dividend received	11,098	-
Purchase of property, plant and equipment	(3,151)	(3,873)
<b>Net cash from/(for) investing activities</b>	7,949	(3,873)
Balance carried forward	(2,972)	(7,183)

The Condensed Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.



**CCK CONSOLIDATED HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

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

	<b>3-months period ended</b>	
	<b><u>31.3.2022</u></b>	<b><u>31.3.2021</u></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>RM'000</b>	<b>RM'000</b>
Balance brought forward	(2,972)	(7,183)
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
Drawdown from borrowings	6,462	4,362
Proceeds from purchase of treasury shares	(1,235)	-
Repayment of lease liabilities	-	(313)
Repayment of borrowings	(2,319)	(2,525)
<b>Net cash from financing activities</b>	<b>2,908</b>	<b>1,524</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(64)</b>	<b>(5,659)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>-</b>	<b>(50)</b>
<b>Cash and cash equivalents at beginning of the financial period</b>	<b>57,206</b>	<b>59,127</b>
<b>Cash and cash equivalents at end of the financial period</b>	<b>57,142</b>	<b>53,418</b>

The Condensed Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

## **CCK CONSOLIDATED HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

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

---

#### **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 2021. 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 2021.

#### **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.

## **CCK CONSOLIDATED HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

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

---

#### **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.

**CCK CONSOLIDATED HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

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

<b>3 months period ended 31 March 2022</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	23,504	3,856	4,268	165,776	30	-	197,434
Inter-segment revenue	56,868	5,148	2	25,353	91	(87,462)	-
<b>Total segment revenue</b>	<b>80,372</b>	<b>9,004</b>	<b>4,270</b>	<b>191,129</b>	<b>121</b>	<b>(87,462)</b>	<b>197,434</b>
<b>RESULTS</b>							
Segment results	1,411	226	470	11,849	(478)	-	13,478
Finance costs							(866)
Share of results in an associate							1,899
Profit before taxation							<u>14,511</u>

**CCK CONSOLIDATED HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

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

<b>3 months period ended 31 March 2021</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	22,355	4,626	1,914	134,774	-	-	163,669
Inter-segment revenue	47,517	4,305	2	20,098	92	(72,014)	-
<b>Total segment revenue</b>	<b>69,872</b>	<b>8,931</b>	<b>1,916</b>	<b>154,872</b>	<b>92</b>	<b>(72,014)</b>	<b>163,669</b>
<b>RESULTS</b>							
Segment results	(2,159)	264	86	9,070	(227)	-	7,034
Finance costs							(521)
Share of results in an associate							1,383
Profit before taxation							7,896

## CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

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

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

ASSETS	Poultry RM'000	Prawn RM'000	Food Service RM'000	Retail RM'000	Corporate RM'000	Consolidated RM'000
<b>31 March 2022</b>						
Segment assets						
Unallocated assets:-	89,443	20,802	10,477	282,187	13,638	416,547
Investment in an associate						26,022
Goodwill						380
Deferred tax assets						1,792
Current tax assets						2,410
Consolidated total assets						<u>447,151</u>
<b>31 March 2021</b>						
Segment assets	94,893	23,616	7,380	256,558	14,328	396,775
Unallocated assets:-						
Investment in an associate						31,071
Goodwill						380
Deferred tax assets						1,593
Unallocated assets						1,105
Consolidated total assets						<u>430,924</u>

**CCK CONSOLIDATED HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

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

<b>LIABILITIES</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 2022</b>						
Segment liabilities	30,663	2,705	1,828	68,426	9,715	113,337
Unallocated liabilities:-						
Deferred tax liabilities						8,374
Current tax liabilities						5,106
Unallocated liabilities and adjustments						(3,813)
Consolidated total liabilities						<u>123,004</u>
<b>31 March 2021</b>						
Segment liabilities	25,797	2,601	3,053	60,189	22,871	114,511
Unallocated liabilities:-						
Deferred tax liabilities						9,765
Current tax liabilities						2,721
Unallocated liabilities and adjustments						(2,966)
Consolidated total liabilities						<u>124,031</u>

## CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

### 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-months ended</b>		<b>Cumulative Quarter</b>	
	<b>31.3.2022</b>	<b>31.3.2021</b>	<b>31.3.2022</b>	<b>31.3.2021</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	351	-	351	-
Indonesia	44,099	29,847	44,099	29,847
Japan	752	1,692	752	1,692
Korea	330	-	330	-
Malaysia	151,902	132,130	151,902	132,130
	<b>197,434</b>	<b>163,669</b>	<b>197,434</b>	<b>163,669</b>

<i>Non-current assets</i>	<b>As at</b>	
	<b>31.3.2022</b>	<b>31.3.2021</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>RM'000</b>	<b>RM'000</b>
Indonesia	37,225	35,206
Malaysia	207,912	214,506
	<b>245,137</b>	<b>249,712</b>

#### MAJOR CUSTOMERS

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



## **CCK CONSOLIDATED HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

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

---

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

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

During the 3-months period ended 31 March 2022, the Group acquired assets at a total cost of RM3.1 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.

## CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

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

---

#### A14. RELATED PARTY DISCLOSURES

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

	3-months ended		Cumulative Quarter	
	31.3.2022 (Unaudited) RM'000	31.3.2021 (Restated) RM'000	31.3.2022 (Unaudited) RM'000	31.3.2021 (Restated) RM'000
Purchase of products	34,895	29,835	34,895	29,835
Rental paid	9	-	9	-
Freight charges	435	370	435	370

---

#### A15. CASH AND CASH EQUIVALENTS

	As at	
	31.3.2022 (Unaudited) RM'000	31.3.2021 (Unaudited) RM'000
Cash and bank balances	50,787	50,558
Deposits with licensed banks	7,078	3,393
Bank overdrafts, secured	(723)	(553)

---

---

## CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

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

#### REVIEW OF OPERATING PERFORMANCE

#### B1. COMPARISON OF THE RESULTS FOR THE 3-MONTHS ENDED 31 MARCH 2022 AGAINST 3-MONTHS ENDED 31 MARCH 2021

	←--Individual Quarter/Cumulative Quarter--→			
	Current Year Quarter 31.3.2022 (Unaudited) RM'000	Preceding Year Quarter 31.3.2021 (Unaudited) RM'000	Variances	
			RM'000	%
Revenue	197,434	163,669	33,765	21
Gross profits	40,628	32,976	7,652	23
Profit before taxation	14,511	7,896	6,615	84
Profit after taxation	11,133	6,061	5,072	84
Profit after taxation attributable to owners of the Company	11,133	6,061	5,072	84

#### Revenue

Group revenue for the quarter under review ("Q1FY2022") increased by 20.6% to RM197.4 million from the corresponding quarter last year ("Q1FY2021"). The significant growth in revenue was due to a recovery in consumer demand leading to a stronger performance in the poultry and retail segments.

The retail segment grew 23.0% during the quarter, driven in part by more matured contributions from two (2) CCKLocal supermarkets (in Kuching and Kota Kinabalu) and four (4) CCK Fresh Mart retail stores which were opened in the previous few quarters. Additionally, the recovery in demand from the wholesale division due to the re-opening of food and beverage outlets also contributed to a strong performance from the retail segment.

In Q1FY2022, one (1) additional CCKLocal supermarket was opened in Sibul, Sarawak.

The Group's retail network in Malaysia ended the quarter with the following –

	Q1 2021	Q1 2022
CCKLocal Supermarkets	2	3
CCK Fresh Mart retail stores	60	63
CCK wholesale stores	6	6
Total touch points	68	72

## **CCK CONSOLIDATED HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

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

---

#### **REVIEW OF OPERATING PERFORMANCE (CONT'D)**

##### **B1. COMPARISON OF THE RESULTS FOR THE 3-MONTHS ENDED 31 MARCH 2022 AGAINST 3-MONTHS ENDED 31 MARCH 2021 (CONT'D)**

Apart from the growth in the Group's domestic retail operations, revenue from the Indonesian operations improved markedly by 47.8% to RM44.1 million in Q1FY2022 from RM29.8 million in Q1FY2021. Driving the growth was a strong demand for sausages and nuggets leading to an overall increase in sales and production volume. Notably, production capacity increased due to a new factory and logistics centre in Pontianak, Indonesia that was commissioned in January 2021.

Demand for poultry products recovered due to the reopening of food and beverage outlets, demand from institutional clients and improved consumer sentiment. This led to a 15.0% increase in total segment revenue for Q1FY2022. Poultry sales via our own retail stores (intersegment sales) continued to be robust, tracking the performance of the retail segment.

The prawn segment's revenue remained largely unchanged for Q1FY2022. The proportion of export volume decreased due to the disruptions in the supply chain whilst domestic sales via our own retail channels continued to gain momentum. The overall performance of the prawn segment is a recovery from a Covid-19 induced depression in demand for prawns that severely affected the most part of FY2020 and FY2021. Ongoing efforts to acquire new customers bore fruit as the segment benefitted from overall higher exports to South Korea and Australia as well as higher domestic sales.

The food service segment reported a revenue of RM4.3 million in Q1FY2022, more than double that of Q1FY2021. The significant turnaround in the segment was due to the reopening of government schools in Sarawak.

#### Profit before tax

Profit before tax ("PBT") increased by 83.8% to RM14.5 million largely due to a turnaround in the poultry segment and a strong performance from the retail segment. Overall gross profit margins inched up to 20.6% during the quarter from 20.1% in Q1FY2021. Despite the significant increase in profitability, the elevated feed prices and weakness in the Malaysian Ringgit continued to be a concern as these factors adversely impacted overall margins.

The retail segment continued to anchor the Group's overall performance, reporting a profit of RM11.8 million. This translated to a 30.6% growth in profitability versus Q1FY2021. Growth was driven by a myriad of factors, namely; increased contributions from new CCKLocal supermarkets and CCK Fresh Mart stores in the last twelve (12) months, strong demand for sausages and nuggets in Indonesia, and an overall improvement in consumer sentiment driving sales volumes in our retail and wholesale channels.

The poultry segment overturned a loss and reported a profit of RM1.4 million for Q1FY2022 due to an increase in sales volumes, effective cost control measures and the success of our cost pass through mechanism.

## CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

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

#### REVIEW OF OPERATING PERFORMANCE (CONT'D)

##### B1. COMPARISON OF THE RESULTS FOR THE 3-MONTHS ENDED 31 MARCH 2022 AGAINST 3-MONTHS ENDED 31 MARCH 2021 (CONT'D)

Operating expenses increased in-line with the additional running cost incurred due to the new facilities in Pontianak, Indonesia and new CCKLocal and CCK Fresh Mart outlets that come on stream in the past twelve (12) months.

Share of results in our associate company, Gold Coin (Sarawak) Sdn Bhd, increased 37.3% to RM1.9 million in Q1FY2022. This growth in profitability was due to higher volumes and favorable adjustments in selling prices to mitigate the hike in raw material prices.

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

	←-----Individual Quarter-----→			
	Current Year Quarter 31.3.2022 (Unaudited) RM'000	Immediate Preceding Quarter 31.12.2021 (Unaudited) RM'000	Variances	
			RM'000	%
Revenue	197,434	187,674	9,760	5
Gross profits	40,628	34,706	5,922	17
Profit before taxation	14,511	8,980	5,531	62
Profit after taxation	11,133	7,171	3,962	55
Profit after taxation attributable to owners of the Company	11,133	7,171	3,962	55

#### Revenue

Revenue increased 5.2% to RM197.4 million from the immediate preceding quarter ("Q4FY2021"). The improvement was largely driven by upticks in the retail and poultry segments, which benefitted from the higher overall sales volumes. Contributions from new retail outlets and supermarkets (opened during the last few quarters) also contributed to the retail segment's performance.

Our Indonesian operations (which are classified under the retail segment) benefitted from a strong demand for sausages, nuggets and other processed products. New facilities in Pontianak (commissioned in January 2021) added production capacity and allowed the Group to cater to the increase in demand.

Demand for poultry products continued to improve due to the reopening of food and beverage outlets, demand from institutional clients and improved consumer sentiment. This led to a 17.7% increase in total segment revenue versus Q4FY2021. Poultry sales via our own retail and wholesale stores (intersegment sales) continued to be robust.

## **CCK CONSOLIDATED HOLDINGS BERHAD**

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

### **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 (CONT'D)**

The prawn segment's revenue experienced a sharp decline as ongoing disruptions in the supply chain and lower production yields affected the performance in Q1FY2022. The proportion of export volume decreased whilst domestic sales via our own retail channels remained robust.

The food service segment delivered a better performance due to the complete re-opening of government schools in Sarawak during the quarter.

##### Profit before tax

PBT increased significantly to RM14.5 million for Q1FY2022, 55.3% higher than Q4FY2021. This was driven by strong performances across the retail, poultry and food service segments. Gross profit margins increased to 20.6% from 18.5% in the immediate preceding quarter.

The growth in profitability was due to an improved performance from the retail segment and the return to profitability in the poultry segment. The retail segment benefitted from the opening of food and beverage outlets leading to higher sales volumes from our retail and wholesale touchpoints and a strong performance from our Indonesian operations. Indonesian operations continued to experience strong demand for sausages, nuggets and other processed products.

Notably, the poultry segment overturned a loss and reported a profit of RM1.4 million due to an increase in sales volumes, effective cost control measures, and the success of our cost pass through mechanism.

Share of results in our associate company, Gold Coin (Sarawak) Sdn Bhd, increased significantly to RM1.9 million in Q1FY2022. This growth in profitability was due to higher sales volumes and favorable adjustments in selling prices to mitigate the hike in raw material prices.

#### **B3. FUTURE PROSPECTS**

Vaccination rates in Sarawak have now exceeded 90% of the eligible adult population, with most having received their third (3<sup>rd</sup>) dose. This is expected to have a positive effect on consumer sentiment as movement restrictions are eased, dining out resumes and schools are re-opened. This is likely to benefit the food and beverage industry.

In addition, Sarawak has moved to phase four (4) of the National Recovery Plan. This will allow public and private sector workplaces to operate at 100% capacity.

That being said, a resurgence of high daily numbers of positive Covid-19 cases in Sarawak could see the reimposition of movement controls and restrictions on dining out. This would negatively affect business and dampen consumer sentiment.

Additionally, the strengthening of the US dollar and continued hike in prices of corn and soy continues to be a cause of concern as this will affect the cost structures of both the retail and poultry segments.

Taking into account the above, the Board is cautiously optimistic with regards to the coming quarters. The threat of Covid-19 remains and the Board and Management teams are constantly striving to mitigate the risks in this challenging and fast changing operating environment.

## CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

### 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-months ended		Cumulative Quarter	
	31.3.2022 (Unaudited) RM'000	31.3.2021 (Unaudited) RM'000	31.3.2022 (Unaudited) RM'000	31.3.2021 (Unaudited) RM'000
Current tax	3,378	1,835	3,378	1,835
Effective tax rate	23%	23%	23%	23%

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	
	31.3.2022 (Unaudited) RM'000	31.3.2021 (Unaudited) RM'000	31.3.2022 (Unaudited) RM'000	31.3.2021 (Unaudited) RM'000
<b>Current:-</b>				
- bank overdrafts	723	533	-	-
- banker's acceptance	31,651	26,429	-	-
- revolving credit	4,500	10,500	-	-
- term loans	-	-	-	-
	36,874	37,462	-	-
<b>Non-current:-</b>				
- term loans	7,729	8,476	-	-
	44,603	45,938	-	-

The foreign denominated borrowings of the Group is Indonesian Rupiah ("RP") and it has been translated at rate of RP0.000293 (31.12.2021: RP0.000293)

## CCK CONSOLIDATED HOLDINGS BERHAD

**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.

**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-months ended		Cumulative quarter	
	31.3.2022 (Unaudited)	31.3.2021 (Unaudited)	31.3.2022 (Unaudited)	31.3.2021 (Unaudited)
Profit attributable to owners of the Company (RM'000)	11,133	6,061	11,133	6,061
Weighted average number of ordinary shares at 1 January ('000)	630,718	630,718	630,718	630,718
Effect of treasury shares held	(4,321)	(4,073)	(4,321)	(4,073)
Weighted average number of ordinary shares at 31 March ('000)	626,397	626,645	626,397	626,645
Basic earnings per share (Sen)	1.78	0.97	1.78	0.97

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



## CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No. 199601024340 (396692-T)

Interim Report for the First Financial Quarter Ended 31 March 2022

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

---

#### B11. PROFIT BEFORE TAX

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

	3-months ended		Cumulative Quarter	
	31.3.2022 (Unaudited) RM'000	31.3.2021 (Unaudited) RM'000	31.3.2022 (Unaudited) RM'000	31.3.2021 (Unaudited) RM'000
<b>After charging/(crediting)-</b>				
Allowance for impairment losses on receivables	39	128	39	128
Allowance for impairment losses on receivables no longer required	(46)	(10)	(46)	(10)
Depreciation and amortisation	5,058	4,619	5,058	4,619
(Gain)/loss on fair value changes in biological assets	(995)	1,582	(995)	1,582
Loss on disposal of property, plant and equipment	11	-	11	-
(Gain)/loss on foreign exchange:-				
- realised	-	-	-	-
- unrealised	(2)	(7)	(2)	(7)
Property, plant and equipment written off	82	13	82	13
Interest expense	866	521	866	521
Interest income	(43)	(51)	(43)	(51)

---

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

The auditors' report on the financial statements for the financial year ended 31 December 2021 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 26 May 2022.