



Condensed Consolidated Statement Of Financial Position
As at 30 September 2014

<i>In thousand of RM</i>	30 September 2014 Unaudited	31 December 2013 Audited
<u>Assets</u>		
Property, plant & equipment	16,774	17,674
Prepaid lease payments	1,625	1,660
Investment properties	1,281	1,304
Total non-current assets	19,680	20,638
Inventories	24,598	29,115
Trade & other receivables	14,927	14,220
Derivatives Financial Assets	5	-
Current tax assets	12	38
Cash & bank balances	2,665	1,966
Total current assets	42,207	45,339
Total Assets	61,887	65,977
<u>Equity</u>		
Share capital	45,780	45,780
Reserves	1,798	1,804
Retained earnings	9,351	11,027
Total equity attributable to owners of the Company	56,929	58,611
Non-controlling interests	-	-
Total equity	56,929	58,611
<u>Liabilities</u>		
Employee benefits	1,209	1,170
Total non-current liabilities	1,209	1,170
Trade & other payables	2,967	5,051
Derivative financial liabilities	-	31
Borrowings	782	1,114
Total current liabilities	3,749	6,196
Total liabilities	4,958	7,366
Total Equity and Liabilities	61,887	65,977
Net assets per ordinary share (RM)	1.24	1.28

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2013 and the accompanying explanatory notes attached to the interim financial statements.



CENTRAL INDUSTRIAL CORPORATION BERHAD and its subsidiaries
Company No. 12186-K (Incorporated in Malaysia)

Condensed Consolidated Statement Of Profit Or Loss And Other Comprehensive Income
For the nine months ended 30 September 2014

<i>In thousand of RM</i>	Current quarter Three months ended 30-September		Cumulative quarter Nine months ended 30-September	
	2014 Unaudited	2013 Unaudited	2014 Unaudited	2013 Unaudited
Continuing operations				
Revenue	13,887	13,945	45,774	42,419
Cost of sales	(12,238)	(12,208)	(40,635)	(37,333)
Gross profit	1,649	1,737	5,139	5,086
Other operating income	92	109	544	255
Selling and distribution expenses	(935)	(958)	(2,771)	(2,602)
Administrative expenses	(1,058)	(948)	(3,144)	(2,909)
Other operating expenses	(209)	(68)	(609)	(342)
Loss from operating activities	(461)	(128)	(841)	(512)
Finance costs	(12)	(1)	(35)	(1)
Finance income	1	3	3	7
Net finance costs	(11)	2	(32)	6
Loss before tax	(472)	(126)	(873)	(506)
Tax expense	(2)	(13)	(2)	-
Loss for the period	(474)	(139)	(875)	(506)
Other comprehensive income/(expense) , net of tax				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	2	49	(6)	49
Other comprehensive income/(expense) for the period	2	49	(6)	49
Comprehensive expense for the period	(472)	(90)	(881)	(457)
Loss attributable to :				
Owners of the Company	(474)	(139)	(875)	(506)
Non-controlling interests	-	-	-	-
Loss for the period	(474)	(139)	(875)	(506)



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Comprehensive expense attributable to :

Owners of the Company	(472)	(90)	(881)	(457)
Non-controlling interests	-	-	-	-
Comprehensive expense for the period	(472)	(90)	(881)	(457)

Basic loss per ordinary share (sen) (1.03) (0.30) (1.91) (1.11)

Diluted loss per ordinary share (sen) (1.03) (0.30) (1.91) (1.11)

The Condensed Consolidated Statement of Profit Or Loss And Other Comprehensive Income should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2013 and the accompanying explanatory notes attached to the interim financial statements.



CENTRAL INDUSTRIAL CORPORATION BERHAD and its subsidiaries
Company No. 12186-K (Incorporated in Malaysia)

Condensed Consolidated Statement Of Changes In Equity
For the nine months ended 30 September 2014

<i>In thousand of RM - Unaudited</i>	/----- Attributable to owners of the Company -----/					
	Share Capital	Share Premium	Translation Reserve	Option Reserve	Retained Earnings	Total Equity
At 1 January 2014	45,780	1,407	109	288	11,027	58,611
Foreign currency translation differences for foreign operations	-	-	(6)	-	-	(6)
Total other comprehensive expense for the period	-	-	(6)	-	-	(6)
Loss for the period	-	-	-	-	(875)	(875)
Comprehensive expense for the period	-	-	(6)	-	(875)	(881)
<i>Contributions by and distributions to owners of the Company</i>						
- Dividend to owners	-	-	-	-	(801)	(801)
Total transactions with owners of the Company	-	-	-	-	(801)	(801)
At 30 September 2014	45,780	1,407	103	288	9,351	56,929



CENTRAL INDUSTRIAL CORPORATION BERHAD and its subsidiaries
Company No. 12186-K (Incorporated in Malaysia)

<i>In thousand of RM - Unaudited</i>	/----- Attributable to owners of the Company -----/					
	/ ----- Non- distributable -----/			Distributable		
	Share Capital	Share Premium	Translation Reserve	Option Reserve	Retained Earnings	Total Equity
At 1 January 2013	45,780	1,407	63	288	11,056	58,594
Foreign currency translation differences for foreign operations	-	-	49	-	-	49
Total other comprehensive income for the period	-	-	49	-	-	49
Loss for the period	-	-	-	-	(506)	(506)
Comprehensive income/(expense) for the period	-	-	49	-	(506)	(457)
Contributions by and distributions to owners of the Company						
- Dividend to owners	-	-	-	-	(515)	(515)
Total transactions with owners of the Company	-	-	-	-	(515)	(515)
At 30 September 2013	45,780	1,407	112	288	10,035	57,622

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2013 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement Of Cash Flows
For the nine months ended 30 September 2014

<i>In thousand of RM</i>	Nine months ended 30-September	
	<u>2014</u>	<u>2013</u>
	<u>Unaudited</u>	<u>Unaudited</u>
Cash flows from operating activities		
Loss before tax from - continuing operations	(873)	(506)
Adjustments for :-		
Amortisation of prepaid lease payments	35	35
Depreciation of property, plant and equipment	1,368	1,381
Depreciation of investment properties	23	23
Finance costs	35	1
Finance income	(3)	(7)
Property, plant & equipment written off	-	1
Operating profit before changes in working capital	<u>585</u>	<u>928</u>
Change in employee benefits, provisions and deferred income	39	24
Change in inventories	4,515	2,340
Change in trade and other payables	(2,108)	1,368
Change in trade and other receivables, prepayments and other financial assets	<u>(720)</u>	<u>(4,668)</u>
Cash generated from/(used in) operations	2,311	(8)
Income tax refund	24	8
Interest paid	<u>(35)</u>	<u>(1)</u>
Net cash from/(used in) operating activities	<u>2,300</u>	<u>(1)</u>
Cash flows from investing activities		
Acquisition of property, plant & equipment	(469)	(75)
Interest received	3	7
Net cash used in investing activities	<u>(466)</u>	<u>(68)</u>
Cash flows from financing activities		
Dividend paid to the owners of the Company	(801)	(515)
Drawn down of borrowings, net	<u>(332)</u>	-
Net cash used in financing activities	<u>(1,133)</u>	<u>(515)</u>
Net increase in cash and cash equivalents	701	(584)
Effect on exchange rate fluctuations on cash held	(2)	9
Cash and cash equivalents at 1 January	<u>1,966</u>	<u>2,215</u>
Cash and cash equivalents at 30 September	<u><u>2,665</u></u>	<u><u>1,640</u></u>



Cash and cash equivalents

Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise:

<i>In thousand of RM</i>	Nine months ended 30-September	
	<u>2014</u>	<u>2013</u>
Cash and bank balances	<u>2,665</u>	<u>1,640</u>
	<u>2,665</u>	<u>1,640</u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2013 and the accompanying explanatory notes attached to the interim financial statements.



Notes to the condensed consolidated interim financial statements for the nine months ended 30 September 2014

1. **Basis of Preparation**

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and Malaysia Financial Reporting Standards (MFRS) 134, *Interim Financial Reporting* in Malaysia and also comply with IAS 34, *Interim Financial Reporting* issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2013. The explanatory notes attached to these 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 year ended 31 December 2013.

2. **Significant Accounting Policies**

The accounting principles and policies adopted in preparing these interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2013.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group.

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2014

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2011-2013 Cycle)*
- Amendments to MFRS 2, *Share-based Payment (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 3, *Business Combinations (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*
- Amendments to MFRS 8, *Operating Segments (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 13, *Fair Value Measurement (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*
- Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 119, *Employee Benefits - Defined Benefit Plans: Employee Contributions*
- Amendments to MFRS 124, *Related Party Disclosures (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 138, *Intangible Assets (Annual Improvements 2010-2012 Cycle)#*
- Amendments to MFRS 140, *Investment Properties (Annual Improvements 2011-2013 Cycle)*

MFRSs, Interpretations and amendments effective for a date yet to be confirmed

- MFRS 9, *Financial Instruments* (2009)
- MFRS 9, *Financial Instruments* (2010)



- MFRS 9, *Financial Instruments - Hedge Accounting and Amendments to MFRS 9, MFRS 7 and MFRS 139*
- Amendments to MFRS 7, *Financial Instruments: Disclosures - Mandatory Effective Date of MFRS 9 and Transition Disclosures*

The Group plans to apply the above mentioned standards, amendments and interpretations:

- from the annual period beginning on 1 January 2015 for those accounting standards, amendments or interpretations that are effective for annual periods beginning on or after 1 July 2014 except for those marked “#” which are not applicable to the Group.

The initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impacts to the current period and prior periods financial statements of the Group.

3. **Auditors' Report**

The auditor's report of the preceding annual financial statements is not subject to any qualification.

4. **Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current quarter under review.

5. **Seasonal or Cyclical Factors**

The Group's performance is not materially affected by any seasonal or cyclical factors.

6. **Debts and Equity Securities**

There were no issuances, cancellation, repurchases, resale or repayments of debt or equity securities for the current quarter under review.

7. **Profit Forecast or Profit Guarantee**

The Group did not issue any profit forecast or profit guarantee during the current quarter under review.

8. **Unquoted Investments and Properties**

There were no purchases or sales of unquoted investments and properties in the current quarter under review.



9. **Quoted Securities**

There were no purchases or sales of quoted securities during the current quarter under review.

10. **Changes in Estimates**

There were no changes in estimates that have a material effect in the current interim results.

11. **Exceptional or unusual items**

There were no exceptional or unusual items affecting assets, liabilities, equity, net income or cash flow of the Group for the current quarter under review.

12. **Corporate Proposals**

There were no corporate proposals announced in the current quarter under review and up to the date of this interim report.

13. **Material Litigation**

The Group has not engaged in any litigation which has a material effect on the financial position of the Group for the quarter under review.

14. **Valuations of Property, Plant & Equipment**

There were no valuations of property, plant and equipment during the current quarter under review.

15. **Dividends Paid**

A final single tier final dividend of 1.75% amounting to RM801,151 in respect of the previous financial year was paid on 9th July 2014.

16. **Segmental Reporting**

The Group's primary business segment is principally engaged in the manufacture and sale of self-adhesive label stocks and tapes of its own brand, and trading of other self-adhesive label stocks and tapes.



Segmental reporting for the Group by geographical segment for the current quarter ended 30 September 2014 stated as follows:

	Current quarter		Cumulative quarter	
	Three months ended		Nine months ended	
	30-September		30-September	
<i>In thousand of RM</i> - Unaudited	2014	2013	2014	2013
<u>Segment Revenue</u>				
- Malaysia	13,527	13,427	44,676	41,428
- Overseas	975	1,157	3,051	3,178
Elimination of inter segment revenue	(615)	(639)	(1,953)	(2,187)
Total Segment Revenue	13,887	13,945	45,774	42,419

	Current quarter		Cumulative quarter	
	Three months ended		Nine months ended	
	30-September		30-September	
<i>In thousand of RM</i> - Unaudited	2014	2013	2014	2013
<u>Segment Results</u>				
- Malaysia	(413)	(75)	(763)	(465)
- Overseas	(48)	(53)	(78)	(47)
Total Segment Results	(461)	(128)	(841)	(512)
Finance Cost	(12)	(1)	(35)	(1)
Finance Income	1	3	3	7
Loss Before Tax	(472)	(126)	(873)	(506)

17. Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets that may have material effect on the net assets, profits or financial position of the Group for the current quarter under review.

18. Capital Commitments

There are no capital commitments for the current quarter under review.

19. Subsequent Events

There were no subsequent events up to the date of this interim report that have not been reflected in these interim financial statements.



20. **Review of Performance**

The Group recorded revenue of RM13.887 million and loss before tax of RM0.472 million in the current quarter under review as compared to RM13.945 million and RM0.126 million respectively recorded in the corresponding quarter last year. The lower revenue and higher loss recorded by the Group were mainly due to lower sales recorded and higher operating costs incurred in the current quarter under review.

For the nine months ended 30 September 2014, the Group's revenue increased by 7.91% to RM45.774 million as compared to RM42.419 million recorded in the corresponding period last year. However, the Group recorded loss before tax of RM0.873 million as compared to RM0.506 million recorded in the same cumulative period last year. The increase in revenue recorded was due to increase in sales volume and increase in losses were due to higher operating and production costs which had contributed to lower gross margins in the cumulative quarter under review.

21. **Material Changes in results with immediate preceding quarter**

The comparison of the Group's revenue and loss before tax for the current quarter and preceding quarter are summarised as follows:-

	Quarter ended 30 September 2014 RM'000	Quarter ended 30 June 2014 RM'000	Variance RM'000	%
Revenue	13,887	15,714	(1,827)	(11.63%)
Loss before tax	(472)	(468)	(4)	(0.85%)

Total revenue for the Group had decreased by 11.63% from RM15.714 million in the immediate preceding quarter to RM13.887 million in the current quarter under review. The decreased in the Group's revenue was due to lower sales recorded for both local and export markets.

The Group recorded loss before tax of RM0.472 million in the current quarter under review as compared to loss before tax of RM0.468 million recorded in the immediate preceding quarter. The increased in loss before tax was due to higher operating costs incurred in the current quarter under review.

22. **Commentary of Prospects**

The Group continued to operate under a tough and challenging circumstances in 2014. The Board anticipated that the Group performance for the remaining months of 2014 will remain lacklustre in view of the recent quality issues and this was further exacerbated by higher operating costs. The Board have taken necessary steps to resolve the quality issues and addressed the high operating costs to ensure a better and profitable 2015.



23. Profit For The Period

Profit for the period is arrived at after charging:

<i>In thousand of RM</i>	Current quarter Three months ended 30-September		Cumulative quarter Nine months ended 30-September	
	2014	2013	2014	2013
Amortisation of prepaid lease payments	12	12	35	35
Bad debts written off/(back)	(6)	14	3	23
Depreciation				
- Property, plant and equipment	456	458	1,368	1,381
- Investment properties	8	8	23	23
Fair value loss/(gain) on derivatives	9	13	(36)	49
Finance costs	12	1	35	1
Foreign exchange loss - unrealised	7	-	46	-
Inventories written off/(back)	98	(10)	22	78
Property, plant & equipment written off	-	-	-	1
And after crediting:-				
Bad debts recovered	5	34	45	50
Finance income	1	3	3	7
Foreign exchange gain - realised	53	14	45	52

24. Tax Expense

<i>In thousand of RM</i>	Current quarter Three months ended 30-September		Cumulative quarter Nine months ended 30-September	
	2014	2013	2014	2013
Current tax expense	-	-	-	-
Under provision in prior year	2	13	2	-
Tax expense	<u>2</u>	<u>13</u>	<u>2</u>	<u>-</u>

25. Borrowings

Particulars of the Group's borrowings are as follow:-



	Denominated in currency	30 September 2014	30 September 2013
<i>In thousand of RM</i>			
Current			
<i>Unsecured :</i>			
Banker's Acceptances	USD	545	-
Banker's Acceptances	RM	237	-

26. *Derivatives Financial Instruments*

The Group has entered into forward foreign exchange currencies contracts other than the functional currency to manage exposure to the fluctuations in foreign currency exchange rates.

The outstanding of these derivatives as at 30 September 2014 are as follows:

Type of Derivatives	Contract / Notional Value	Fair Value
	RM'000	RM'000
Foreign currency forward contracts Sales contract denominated in USD - Less than 1 year	267	262

Derivatives financial instruments entered into by the Group are similar to those disclosed in the audited financial statements for the year ended 31 December 2013. During the current quarter under review, the Group recognised a fair value loss of RM8,881 on changes of its derivative instruments in the profit or loss.

The maturity periods of the above derivatives are less than one year. As foreign currencies contracts are hedged with creditworthy financial institutions, the Group does not foresee any significant credit and market risks. There are also no transaction costs at the inception of these contracts as the Group only uses forward foreign currencies contracts as its hedging instruments. The Group is exposed to minimal cash flow risk in view of its healthy cash position.

27. *Realised and Unrealised Profits*

The breakdown of retained earnings of the Group as at the reporting date, into realised and unrealised profits or losses, pursuant to Paragraphs 2.06 and 2.23 of the Bursa Malaysia Securities Berhad Listing Requirements, are as follows:



<i>In thousand of RM</i>	30 September 2014	31 December 2013
Total retained earnings of the Group		
- Realised gain	9,361	11,077
- Unrealised loss	<u>(10)</u>	<u>(50)</u>
	<u>9,351</u>	<u>11,027</u>

The unrealised gains/(losses) of the Group as disclosed above includes translation gains and losses on monetary items denominated in a currency other than the functional currency and foreign exchange contracts, as translation gains and losses are incurred in the ordinary course of business of the Group, and are hence deemed as realised.

The disclosure of realised and unrealised profits or losses is made solely for complying with the disclosure requirements as stipulated in the directive of Bursa Malaysia Securities Berhad and is not made for any other purposes.

28. Dividend Proposed

The Board of Directors did not recommend any dividend in the current quarter under review.

29. Loss Per Share

Basic loss per ordinary share are calculated based on the Group's net loss attributable to equity holders of the Company and the weighted average number of ordinary shares in issue during the current quarter and the financial year to date.

Diluted loss per ordinary share is the same as the basic loss per ordinary share as the effect of anti-dilutive potential ordinary shares are ignored in calculating diluted loss per ordinary share in accordance with FRS 133 on Earnings per Share.

<i>In thousand of RM</i>	Current quarter Three months ended 30-September		Cumulative quarter Nine months ended 30-September	
	2014	2013	2014	2013
Basic				
Loss attributable to the owners of the company	(474)	(139)	(875)	(506)
Weighted average number of ordinary shares in issue	45,780	45,780	45,780	45,780
Basic loss per ordinary share (sen)	(1.03)	(0.30)	(1.91)	(1.11)
Diluted				
Diluted loss per ordinary share (sen)	<u>(1.03)</u>	<u>(0.30)</u>	<u>(1.91)</u>	<u>(1.11)</u>



30. Authorisation for Issue

The interim financial statements and the accompanying notes were authorized for issue by the Board of Directors in accordance with a resolution of the directors passed on 24 November 2014.

By order of the Board,
Central Industrial Corporation Berhad

Fong Phoi Shan
Company Secretary

Date: 24 November 2014