



Condensed Consolidated Statement Of Financial Position
As at 31 March 2016

	31 March 2016 Unaudited RM'000	31 December 2015 Audited RM'000
<u>Assets</u>		
Property, plant & equipment	14,422	14,853
Prepaid lease payments	1,555	1,567
Investment properties	1,092	1,098
Total non-current assets	17,069	17,518
Inventories	13,329	15,576
Trade & other receivables	11,645	11,534
Current tax assets	30	30
Deposit, cash & bank balances	7,413	5,757
Total current assets	32,417	32,897
Total Assets	49,486	50,415
<u>Equity</u>		
Share capital	45,780	45,780
Reserves	1,633	1,685
Accumulated losses	(3,181)	(3,312)
Total equity attributable to owners of the Company	44,232	44,153
Non-controlling interests	-	-
Total equity	44,232	44,153
<u>Liabilities</u>		
Employee benefits	1,687	1,817
Total non-current liabilities	1,687	1,817
Trade & other payables	3,567	4,445
Derivative financial liabilities	-	-
Total current liabilities	3,567	4,445
Total liabilities	5,254	6,262
Total Equity and Liabilities	49,486	50,415
Net assets per ordinary share (RM)	0.97	0.96

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2015 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement Of Profit Or Loss And Other Comprehensive Income
For Three Months Ended 31 March 2016

	Current quarter		Cumulative quarter	
	Three months ended		Three months ended	
	31 March		31 March	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue	13,708	13,121	13,708	13,121
Cost of sales	(11,532)	(11,501)	(11,532)	(11,501)
Gross profit	<u>2,176</u>	<u>1,620</u>	<u>2,176</u>	<u>1,620</u>
Other operating income	168	170	168	170
Selling and distribution expenses	(929)	(851)	(929)	(851)
Administrative expenses	(1,064)	(924)	(1,064)	(924)
Other operating expenses	(224)	(345)	(224)	(345)
Profit/(loss) from operating activities	<u>127</u>	<u>(330)</u>	<u>127</u>	<u>(330)</u>
Finance costs	-	-	-	-
Finance income	4	12	4	12
Net finance costs	<u>4</u>	<u>12</u>	<u>4</u>	<u>12</u>
Profit/(loss) before tax	<u>131</u>	<u>(318)</u>	<u>131</u>	<u>(318)</u>
Tax expense	-	1	0	1
Profit/(loss) for the period	<u>131</u>	<u>(317)</u>	<u>131</u>	<u>(317)</u>
Other comprehensive (expense)/income , net of tax				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	(52)	17	(52)	17
Other comprehensive (expense)/income for the period	<u>(52)</u>	<u>17</u>	<u>(52)</u>	<u>17</u>
Comprehensive income/(expense) for the period/year	<u>79</u>	<u>(300)</u>	<u>79</u>	<u>(300)</u>
Gain/(loss) attributable to :				
Owners of the Company	131	(317)	131	(317)
Non-controlling interests	-	-	-	-
Gain/(loss) for the period	<u>131</u>	<u>(317)</u>	<u>131</u>	<u>(317)</u>



Comprehensive expense attributable to :

Owners of the Company	79	(300)	79	(300)
Non-controlling interests	-	-	-	-
Comprehensive expense for the period	<u>79</u>	<u>(300)</u>	<u>79</u>	<u>(300)</u>

Basic profit/(loss) per ordinary share (sen) 0.29 (0.69) 0.29 (0.69)

Diluted profit/(loss) per ordinary share (sen) 0.29 (0.69) 0.29 (0.69)

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 31.12.2015 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 Three Months ended 31 March 2016 - Unaudited

	/----- Attributable to owners of the Company -----/				
	/----- Non- distributable -----/			Distributable	
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Total Equity RM'000
At 1 January 2016	45,780	1,407	278	(3,312)	44,153
Foreign currency translation differences for foreign operations	-	-	(52)	-	(52)
Total other comprehensive income for the period			(52)	-	(52)
Profit for the period	-	-	-	131	131
Comprehensive income for the period	-	-	(52)	131	79
<i>Contributions by and distributions to owners of the Company</i>					
- Dividend to owners	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	-
At 31 March 2016	45,780	1,407	226	(3,181)	44,232



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

Condensed Consolidated Statement Of Changes In Equity
For Three Months ended 31 March 2015 - Unaudited

	/----- Attributable to owners of the Company -----/					
	/----- Non- distributable -----/			/ Distributable		
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Option Reserve RM'000	Retained Earnings RM'000	Total Equity RM'000
At 1 January 2015	45,780	1,407	133		9,468	56,788
Foreign currency translation differences for foreign operations	-	-	17	-	-	17
Total other comprehensive (expense)/income for the period	-	-	17	-	-	17
Loss for the period	-	-	-	-	(317)	(317)
Comprehensive expense for the period	-	-	17	-	(317)	(300)
<i>Contributions by and distributions to owners of the Company</i>						
- Dividend to owners	-	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	-	-
At 31 March 2015	45,780	1,407	150	-	9,151	56,488

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 31.12.2015 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement Of Cash Flows
For Three Months Ended 31 March 2016

	Three months ended	
	<u>2016</u>	<u>2015</u>
	<u>Unaudited</u>	<u>Unaudited</u>
	RM'000	RM'000
Cash flows from operating activities		
Profit/(loss) before tax from - continuing operations	131	(318)
Adjustments for :-		
Amortisation of prepaid lease payments	12	12
Bad debts written off	7	-
Bad debts recovered	(14)	(63)
Depreciation of property, plant and equipment	442	453
Depreciation of investment properties	6	8
Finance income	(4)	(12)
Gain on disposal of property, plant and equipment	-	(52)
Inventories written off	23	121
Property, plant & equipment written off	1	-
Provision for slow moving inventories	20	-
(Reversal)/provision of retirement benefits	(20)	40
Operating profit before changes in working capital	604	189
Change in inventories	2,188	2,904
Change in trade and other payables	(949)	(1,275)
Change in trade and other receivables, prepayments and other financial assets	(53)	(1,621)
Cash generated from operations	1,790	197
Income tax paid	-	(4)
Retirement benefit paid	(110)	(43)
Net cash from operating activities	1,680	150
Cash flows from investing activities		
Acquisition of property, plant & equipment	(12)	(85)
Proceed from disposal property, plant and equipment	-	170
Interest received	4	12
Net cash (used in)/from investing activities	(8)	97
Net increase in cash and cash equivalents	1,672	247
Effect on exchange rate fluctuations on cash held	(17)	17
Cash and cash equivalents at 1 January	5,757	4,285
Cash and cash equivalents at 31 March	7,412	4,549



Cash and cash equivalents

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

	Three months ended	
	31 March	
	2016	2015
	RM'000	RM'000
Fixed deposits placed with a licensed bank	1,526	1,500
Short term deposit	-	500
Cash and bank balances	5,886	2,549
	<u>7,412</u>	<u>4,549</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 31.12.2015 and the accompanying explanatory notes attached to the interim financial statements.



Notes to the condensed consolidated interim financial statements for the twelve months ended 31 March 2016

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 2015. 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 2015.

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 2015.

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.

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 Property (Annual Improvements 2011-2013 Cycle)*



MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016 (continued)

- Amendments to MFRS 5, Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)#
- Amendments to MFRS 7, Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)
- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to MFRS 11, Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations#
- MFRS 14, Regulatory Deferral Accounts#
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosure Initiative*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 138, *Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 141, *Agriculture – Agriculture: Bearer Plants*
- Amendments to MFRS 119, *Employee Benefits (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 127, *Separate Financial Statements – Equity Method in Separate Financial Statements#*
- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

- MFRS 15, *Revenue from Contracts with Customers*
- MFRS 9, *Financial Instruments (2014)*

The Group and the Company plan to apply the abovementioned accounting 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 indicated with “*” which are not applicable to the Group and the Company;
- from the annual period beginning on 1 January 2016 for those accounting standards, amendments or interpretations that are effective for annual periods beginning on or after 1 January 2016 except for those indicate with “#” which are not applicable to the Group and the Company;
- from the annual period beginning on 1 January 2017 for those accounting standards, amendments or interpretations that are effective for annual periods beginning on or after 1 January 2017; and



- from the annual period beginning on 1 January 2018 for those accounting standards, amendments or interpretations that are effective for annual periods beginning on or after 1 January 2018.

The initial application of the abovementioned accounting standards, amendments or interpretations are not expected to have any material financial impacts to the Group and the Company except as mentioned below :

(i) MFRS 15, *Revenue from Contracts with Customers*

MFRS 15 replaces the guidance in MFRS 111, *Construction Contracts*, MFRS 118, *Revenue*, IC Interpretation 13, *Customer Loyalty Programme*, IC Interpretation 15, *Agreements for Construction of Real Estate*, IC Interpretation 18, *Transfer of Assets from Customers* and IC Interpretation 131, *Revenue – Barter Transactions Involving Advertising Services*.

The Group and the Company is currently assessing the financial impact that may arise from the adoption of MFRS 15.

(ii) MFRS 9, *Financial Instruments*

MFRS 9 replaces the guidance in MFRS 139, *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets and financial liabilities, and on hedge accounting.

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 9.

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 for the Group in the current quarter under review, except the following updates on inventory variances issues:

- a. On 6 April 2016, the Company appointed M/S Baker Tilly Montero Heng as investigative auditors to carry out an extended audit on its Balance Sheet for further investigations. The audit investigations are currently pending finalization.
- b. On 24 March 2016, the Company made a second police report which contained further details pertaining to the inventory variances to facilitate police investigations. The police had recorded a statement from the Company's representative and are progressing with their investigations on the matter.

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

There was no dividend paid during the quarter under review and financial year-to-date.

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 31 March 2016 stated as follows:

	Current quarter		Cumulative quarter	
	Three months ended		Three months ended	
	31 March		31 March	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue - Unaudited</u>				
- Malaysia	9,720	12,701	9,720	12,701
- Overseas	4,773	1,022	4,773	1,022
Elimination of inter segment revenue	(785)	(602)	(785)	(602)
Total Segment Revenue	13,708	13,121	13,708	13,121

	Current quarter		Cumulative quarter	
	Three months ended		Three months ended	
	31 March		31 March	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
<u>Segment Results - Unaudited</u>				
- Malaysia	105	(355)	105	(355)
- Overseas	22	25	22	25
Total Segment Results	127	(330)	127	(330)
Finance Cost	-	-	-	-
Finance Income	4	12	4	12
Profit/(loss) Before Tax	131	(318)	131	(318)



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

The amount of capital commitments for the purchase of properties, plant & equipment not provided for in the interim financial statements are as follow:

	Quarter ended 31 March 2016 RM'000	Quarter ended 31 December 2015 RM'000
Amount approved but not contracted for	831	Nil
- Properties, plant & equipment		

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 RM13.708 million and profit before tax RM0.131 million in current quarter under review as compared to RM13.121 million and loss before tax RM0.317 million recorded in the corresponding quarter last year. The higher revenue registered by the Group was due to the success of the Company's marketing strategies in the quarter under review for new products launched for the domestic segment and the regain of market share in the export markets.

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 31 March 2016 RM'000	Quarter ended 31 December 2015 RM'000	Variance RM'000	%
Revenue	13,708	12,730	978	7.68
Profit/(Loss) before tax	131	(2,550)	2,681	105.14

The Group's revenue increased by 7.68% in the current quarter under review from RM12,730 million in the immediate preceding quarter to RM13.708 million. The higher Group turnover was contributed by higher export sales during the quarter.



The Group recorded profit before tax of RM0.131 million in the current quarter compared to loss before tax of RM2.550 million in the preceding quarter. The higher losses in the immediate preceding quarter were due to additional inventories variances of RM1.08 million written off and additional year end provisions on inventory impairments and employees retirement benefits.

22. Commentary of Prospects

The outlook remains challenging as there is little relief of the external headwinds and improvements to the soft market sentiments for both the export and domestic segments

Overall, the Company is cautiously optimistic that the next quarter will similarly experience gradual improvements to its sales and profits.

23. Profit/(loss) For The Period

Profit/(loss) for the period is arrived at after charging:

	Current quarter		Cumulative quarter	
	Three months ended		Three months ended	
	31 March		31 March	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Amortisation of prepaid lease payments	12	12	12	12
Auditors' remuneration	57	11	57	11
Bad debts written off	7	-	7	-
Depreciation				
- Property, plant and equipment	442	453	442	453
- Investment properties	6	8	6	8
Foreign exchange loss - realised	71	28	71	28
Inventories written off	23	121	23	121
Provision for slow moving inventories	20	-	20	-
Property, plant and equipment written off	1	-	1	-
Provision for retirement benefits	-	40	-	40
Professional fees payable to a company which a former director has financial interest	-	-	-	-
Rental expense:				
- Land and building	54	436	54	436
- Equipment	14	93	14	93
Unrealised loss on forward foreign exchange contracts	-	41	-	41



And after crediting:-

Bad debts recovered	14	63	14	63
Finance income	4	12	4	12
Gain on disposal of plant & equipment	-	52	-	52
Reversal of provision for retirement benefits	20	-	20	-
Rental income from investment properties	26	26	26	26

24. Tax Expense

	Current quarter		Cumulative quarter	
	Three months ended		Three months ended	
	31 March		31 March	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Current tax expense	-	-	-	-
Over provision in prior year	-	1	-	1
Tax expense	-	1	-	1

25. Realised and Unrealised (Loss)/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:

	31 March	31 March
	2016	2015
	RM'000	RM'000
Total retained earnings of the Group		
- Realised loss	(3,180)	(3,435)
- Unrealised profit	-	123
	<u>(3,180)</u>	<u>(3,312)</u>

The unrealised 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.



26. **Dividend Proposed**

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

27. **Earnings Per Share**

Basic earnings per ordinary share are calculated based on the Group's net profit 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 earnings per ordinary share is the same as the basic earnings per ordinary share as the effect of anti-dilutive potential ordinary shares are ignored in calculating diluted earnings per ordinary share in accordance with MFRS 133 on Earnings per Share.

	Current quarter Three months ended 31 March		Cumulative quarter Three months ended 31 March	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Basic				
Profit/(loss) attributable to the owners of the company	131	(317)	131	(317)
Weighted average number of ordinary shares in issue	45,780	45,780	45,780	45,780
Basic earnings per ordinary share (sen)	0.29	(0.69)	0.29	(0.69)
Diluted				
Diluted profit/(loss) per ordinary share (sen)	0.29	(0.69)	0.29	(0.69)

28. **Authorisation for Issue**

The interim financial statements and the accompanying notes were authorized for issue by the Board of Directors.