



Condensed Consolidated Statement Of Financial Position
As at 30 September 2017

	30 September 2017	31 December 2016
	Unaudited	Audited
	RM'000	RM'000
Assets		
Property, plant & equipment	12,897	13,663
Prepaid lease payments	1,487	1,521
Investment properties	1,041	1,071
Investment in Associate	1,447	-
Total non-current assets	16,872	16,255
Inventories	14,398	14,427
Trade & other receivables	12,500	11,498
Deposit, cash & bank balances	12,758	10,466
Total current assets	39,656	36,391
Total Assets	56,528	52,646
Equity		
Share capital	50,000	45,780
Reserves	1,712	1,707
(Accumulated losses)/Retained earnings	(717)	(2,122)
Total equity attributable to owners of the Company	50,995	45,365
Non-controlling interests	-	-
Total equity	50,995	45,365
Liabilities		
Employee benefits	1,681	1,659
Total non-current liabilities	1,681	1,659
Trade & other payables	3,852	5,622
Total current liabilities	3,852	5,622
Total liabilities	5,533	7,281
Total Equity and Liabilities	56,528	52,646
Net assets per ordinary share (RM)	1.02	0.99

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2016 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement Of Profit Or Loss And Other Comprehensive Income
For Nine Months Ended 30 September 2017

	Current quarter		Cumulative quarter	
	Three months ended		Nine months ended	
	30 September		30 September	
	2017	2016	2017	2016
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue	16,455	13,787	49,108	41,860
Cost of sales	(13,975)	(11,702)	(41,673)	(34,983)
Gross profit	2,480	2,085	7,435	6,877
Other operating income	78	140	740	508
Selling and distribution expenses	(956)	(881)	(2,806)	(2,781)
Administrative expenses	(1,205)	(1,114)	(3,396)	(3,283)
Other operating expenses	(203)	(227)	(784)	(707)
Profit from operating activities	194	3	1,189	614
Finance costs	-	-	-	-
Finance income	14	16	73	38
Share of net profit of associated company	136	-	147	-
Net finance costs	150	16	220	38
Profit before tax	344	19	1,409	652
Tax expense	(3)	(41)	(3)	(41)
Profit for the period	341	(22)	1,406	611
Other comprehensive income/(expense) , net of tax				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	7	15	5	(1)
Remeasurement of defined benefit liability	-	-	-	-
Other comprehensive income/(expense) for the period	7	15	5	(1)
Total comprehensive income for the period/year	348	(7)	1,411	610
Profit attributable to :				
Owners of the Company	341	(22)	1,406	611
Non-controlling interests	-	-	-	-
Profit for the period	341	(22)	1,406	611



Total comprehensive income attributable to :

Owners of the Company	348	(7)	1,411	610
Non-controlling interests		-		-
Total comprehensive income for the period	<u>348</u>	<u>(7)</u>	<u>1,411</u>	<u>610</u>

Basic profit per ordinary share (sen)	0.68	(0.05)	2.90	1.33
Diluted profit per ordinary share (sen)	0.68	(0.05)	2.90	1.33

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 31.12.2016 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 2017 - 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 2017	45,780	1,407	300	(2,122)	45,365
Foreign currency translation differences for foreign operations	-	-	5	-	5
Total other comprehensive income for the period	-	-	5	-	5
Profit for the period	-	-	-	1,405	1,405
Total comprehensive income for the period	-	-	5	1,405	1,410
Total transactions with owners of the Company					
<i>Contributions by and distributions to owners of the Company</i>					
- Issue of ordinary shares	4,220	-	-	-	4,220
At 30 September 2017	50,000	1,407	305	(717)	50,995



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

Condensed Consolidated Statement Of Changes In Equity
For Nine Months ended 30 September 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	-	-	(1)	-	(1)
Total other comprehensive income for the period	-	-	(1)	-	(1)
Profit for the period	-	-	-	611	611
Total comprehensive income for the period	-	-	(1)	611	610
Total transactions with owners of the Company					
<i>Contributions by and distributions to owners of the Company</i>					
- Issue of ordinary shares	-	-	-	-	-
Total transactions with owners of the Company					
At 30 September 2016	45,780	1,407	277	(2,701)	44,763

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 31.12.2016 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement Of Cash Flows
For The Six Months Ended 30 September 2017

	Nine months ended	
	30 September	
	<u>2017</u>	<u>2016</u>
	<u>Unaudited</u>	<u>Unaudited</u>
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax from - continuing operations	1,409	652
Adjustment for :-		
Amortisation of prepaid lease payments	34	35
Bad debts written off	21	26
Bad debts recovered	(24)	(39)
Depreciation of property, plant and equipment	1,322	1,307
Depreciation of investment properties	26	20
Finance income	(73)	(39)
Gain on disposal of property, plant and equipment	(102)	-
Inventories Written off	140	575
Property, plant & equipment written off	7	2
Provision for slow moving		(6)
Provision for retirement benefits	131	117
Share of net profit of associated company	(147)	-
Operating profit/ (loss) before changes in working capital	<u>2,744</u>	<u>2,650</u>
Change in inventories	(108)	2,262
Change in trade and other receivables	(991)	(116)
Change in trade and other payables	(1,754)	(1,520)
Cash (used in) / generated from operations	<u>(109)</u>	<u>3,276</u>
Income tax (paid) / refund	(26)	(33)
Retirement benefit paid	(110)	(236)
Net cash flow (used in) / from operating activities	<u>(245)</u>	<u>3,007</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(559)	(482)
Interest received	73	39
Investment in associated company	(1,300)	-
Proceeds from disposal of property, plant and equipment	102	-
Net cash flow from/ (used in) investing activities	<u>(1,684)</u>	<u>(443)</u>
Cash flows from financing activities		
Proceeds from issuance of share capital	4,220	
Net cash flow from/ (used in) financing activities	<u>4,220</u>	<u>0</u>



Net increase / (decrease) in cash & cash equivalents	2,291	2,564
Effect of exchange rate fluctuations on cash held	1	0
Cash and cash equivalents at 1 January	10,466	5,757
Cash and cash equivalents at 30 September	<u>12,758</u>	<u>8,321</u>

Cash and cash equivalents

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

	Nine months ended	
	<u>2017</u>	<u>2016</u>
	RM'000	RM'000
Fixed deposits placed with a licensed bank	7,102	1,550
Short term deposit	155	1,241
Cash and bank balances	5,500	5,530
	<u>12,758</u>	<u>8,321</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 31.12.2016 and the accompanying explanatory notes attached to the interim financial statements.



Notes to the condensed consolidated interim financial statements for the three months ended 30 September 2017

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 of the Company and its subsidiaries (“Group”) for the year ended 31 December 2016. 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 2016.

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 2016.

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 January 2017

- Amendments to MFRS 12, *Disclosure of Interests in Other Entities (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 107, *Statement of Cash Flows - Disclosure Initiative*
- Amendments to MFRS 112, *Income Taxes - Recognition of Deferred Tax Assets for Unrealised Losses*

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

- MFRS 9, *Financial Instruments (2014)*
- MFRS 15, *Revenue from Contracts with Customers*
- Clarifications to MFRS 15, *Revenue from Contracts with Customers*
- IC Interpretation 22, *Foreign Currency Transactions and Advance Consideration*
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 2, *Share-based Payment - Classification and Measurement of Share-based Payment Transactions*



- Amendments to MFRS 4, *Insurance Contracts - Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 140, *Investment Property - Transfers of Investment Property*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019

- MFRS 16, *Leases*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- 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*

The Group and the Company plan to apply the abovementioned accounting standards, amendments and interpretations:

- from the annual period beginning on 1 January 2017 for those amendments that are effective for annual periods beginning on or after 1 January 2017, where applicable.
- from the annual period beginning on 1 January 2018 for those accounting standards, amendments and interpretations that are effective for annual periods beginning on or after 1 January 2018, where applicable.
- from the annual period beginning on 1 January 2019 for the accounting standard that is effective for annual periods beginning on or after 1 January 2019.

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 Programmes*, IC Interpretation 15, *Agreements for Construction of Real Estate*, IC Interpretation 18, *Transfers of Assets from Customers* and IC Interpretation 131, *Revenue – Barter Transactions Involving Advertising Services*.



The Group 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.

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

(iii) MFRS 16, *Leases*

MFRS 16 replaces the guidance in MFRS 117, *Leases*, IC Interpretation 4, *Determining whether an Arrangement contains a Lease*, IC Interpretation 115, *Operating Leases – Incentives* and IC Interpretation 127, *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 16.

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 except for the following:

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.

12. *Corporate Proposals*

There was no corporate exercise conducted by the Company in the quarter under review.

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 tapes of its own brand, labels stocks 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 2017 stated as follows:



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	Current quarter		Cumulative quarter	
	Three months ended		Nine months ended	
	30 September		30 September	
	2017	2016	2017	2016
<u>Segment Revenue - Unaudited</u>	RM'000	RM'000	RM'000	RM'000
- Malaysia	8,785	9,532	28,388	29,537
- Oversea	8,581	5,206	23,281	14,878
Elimination of inter segment revenue	(912)	(951)	(2,563)	(2,555)
Total Segment Revenue	16,455	13,787	49,107	41,860

	Current quarter		Cumulative quarter	
	Three months ended		Nine months ended	
	30 September		30 September	
	2017	2016	2017	2016
<u>Segment Results</u>	RM'000	RM'000	RM'000	RM'000
- Malaysia	80	(64)	874	555
- Oversea	114	67	315	57
Total Segment Results	194	3	1,189	612
Finance Cost	-	-	-	-
Finance Income	14	16	73	39
Share of Net Profit of Associated Company	136		147	
Profit Before Tax	344	19	1,409	651



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 30 September 2017 RM'000	Quarter ended 30 September 2016 RM'000
Amount approved but not contracted for		
- Property, plant & equipment	Nil	Nil

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 RM16.455 million and Profit Before Tax of RM0.344 Million in the quarter under review as compared to RM13.787 Million and Profit Before Tax of RM0.019 Million recorded in the corresponding quarter last year. The higher revenue registered by the Group was due to the increase in export sales in the quarter under review for masking tapes which contributed to higher gross profit recorded during the quarter.

The higher Profit Before Tax recorded for the quarter was also contributed by the share of profit from associated company which amounted to RM0.136 Million.

21. Material Changes in results with immediate preceding quarter

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

	Quarter ended 30 Sep 2017 RM'000	Quarter ended 30 June 2017 RM'000	Variance RM'000	%
Revenue	16,455	15,415	1,040	6.7
Profit before tax	344	303	41	13.5



The Group's revenue increased by 6.7% from RM15.415 million in the immediate preceding quarter to RM16.455 million in the current quarter under review. The higher revenue registered by the Group was mainly due to higher export sales.

The Group recorded Profit Before Tax of RM0.344 million in the current quarter compared to Profit Before Tax of RM0.303 million in the preceding quarter. The higher Profit before Tax was contributed by the share of profit from associate company.

22. Commentary of Prospects

The outlook for the 4th quarter 2017, remain unchanged from the current quarter under review with soft domestic market overhang conditions amidst challenges to the export segments due to entrance of a new manufacturer of masking tapes in Asia.

Revenue growth for domestic segment will focus on growth from tapes and traded items sales as the Company continue to downsize unprofitable labels stocks sales. The Company's tapes and traded items strategy focuses on creating new sales channels to drive growth and complement existing resellers channels. The Company continuously seek new traded items opportunities and has secured a distribution agreement with a US multinational to distribute packing consumables and equipment.

The export segment forecasts a slowdown in revenue and gross profit margins in the 4th quarter due to intensified competition in its core export markets. Nevertheless, the Company has pushed ahead with product re-engineering to enter new geographical markets and anticipate to regain lost market share in its traditional export markets as well as increase export sales to Central and Latin America. Its re-engineered products rolled out in soft launches in the current quarter has been well received and anticipated to contribute to optimization of plant assets, resources and lower production unit costs.

Though challenging, the 4th quarter will continue to present opportunities for the Company to sustain its positive performance trajectory.

23. Profit For The Period

Profit for the period is arrived at after charging:

	Current quarter Three months ended 30 September		Cumulative quarter Nine months ended 30 September	
	2017	2016	2017	2016
	RM'000	RM'000	RM'000	RM'000
Amortisation of prepaid lease payments	12	12	34	35
Auditors' remuneration	21	56	54	167
Bad debts written off	5	7	26	26
Depreciation				
- Property, plant and equipment	431	436	1,322	1,307
- Investment properties	12	7	26	20
Loss on foreign exchange - realised	17	22	103	72
Inventories written off	65	459	140	575
Allowance for slow moving inventories	-	(20)	-	-



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Property, plant and equipment written off	6	1	6	2
Provision for retirement benefits	44	40	131	117
Rental expense:				
- Land and building	58	68	168	168
- Equipment	15	15	37	43

And after crediting:-

Bad debts recovered	4	6	24	39
Finance income	14	17	73	39
Gain on disposal of plant and equipment	-	-	102	-
Rental income from investment properties	24	26	67	77
Reversal of slow moving inventory expense	-	(4)	-	6

24. Tax Expense

	Current quarter		Cumulative quarter	
	Three months ended		Nine months ended	
	30 September		30 September	
	2017	2016	2017	2016
	RM'000	RM'000	RM'000	RM'000
Current tax expense	3	-	3	-
Under provision in prior year	-	(41)	-	(41)
Tax expense	3	-	3	-

25. Realised and Unrealised Profits/ (Losses)

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:

	30 September	31 December
	2017	2016
	RM'000	RM'000
Total retained earnings/(accumulated losses) of the Group		
- Realised gain/(loss)	(717)	(2,118)
- Unrealised loss	-	(4)
	<u>(717)</u>	<u>(2,122)</u>

The unrealised loss 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 30 September		Cumulative quarter Nine months ended 30 September	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Basic				
Profit/(Loss) attributable to the owners of the company	341	(22)	1,406	633
Weighted average number of ordinary shares in issue	50,000	45,780	48,420	45,780
Basic earnings per ordinary share (sen)	0.68	(0.05)	2.90	1.38
Diluted				
Diluted earnings per ordinary share (sen)	0.68	(0.05)	2.90	1.38

28. Authorisation for Issue

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