

**A) EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“FRS”)  
 134: INTERIM FINANCIAL REPORTING**

**1) Basis of Preparation**

This interim financial report is unaudited and has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad and Malaysian Financial Reporting Standards (“MFRS”) 134: ‘Interim Financial Reporting’ in Malaysia and with IAS 34 ‘Interim Financial Reporting’. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the most recent audited financial statements of Company as at and for the financial year ended 31 March 2015.

The Company has adopted and complied with MFRS 1 – First Time Adoption of Malaysian Financial Reporting Standards.

**2) Audit Report**

The auditors’ report of the Group’s annual audited financial statements for the financial year ended 31 March 2015 was not subject to any audit qualification. The auditor wish to draw attention on the emphasis of matter to the financial statements, which is disclosed as trade receivables of the Group due from government agencies, which had been outstanding for more than one year.

**3) Seasonal or Cyclical Factors**

The Group’s business operations for the current quarter ended 30 September 2015 have not been significantly affected by seasonal or cyclical factors.

**4) Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

The Profit Before Tax of RM14.77 million is after accounting for RM1.35 million, being interest expenses incurred for financing the share acquisition of Dagang NeXchange Berhad “(DNex)”.

**5) Changes in Estimates**

There were no changes in estimates that have a material effect for the current quarter ended 30 September 2015.

**6) Changes in Debt and Equity Securities**

For the current quarter ended 30 September 2015, the changes in debt and equity securities are as follows:

	<b>No of Shares Issued (units)</b>
Issued and Paid-up Share Capital	
As at 31 March 2015	476,660,771
Changes	
- Private Placement of shares	20,000,000
Enlarged Issued and Paid-up Share Capital	
As at 30 September 2015	<b><u>496,660,771</u></b>

**7) Dividend paid**

There were no dividends paid during the current quarter ended 30 September 2015.



**8) Segmental reporting**

Segmental information for the Group by business segments for the cumulative quarter ended 30 September 2015.

<b>Division</b>	<b>Revenue RM'000 (unaudited)</b>	<b>Elimination RM'000 (unaudited)</b>	<b>Consolidation RM'000 (unaudited)</b>	<b>Profit/(Loss) Before Tax RM'000 (unaudited)</b>
FMS	17,764	(27)	17,737	1,207
PAS	1,462	(626)	836	64
WMS	2,172	(18)	2,153	634
TS	4,667	(14)	4,653	1,404
NSW	45,647	-	45,647	13,906
OTHERS	-	-	-	(2,447)
<b>TOTAL</b>	<b>71,712</b>	<b>(685)</b>	<b>71,026</b>	<b>14,768</b>

FMS - Financial Management Solution (includes the performance of JV company Censof-ABSS Sdn Bhd) , PAS - Payment Aggregation Solutions, WMS - Wealth Management Solutions, TS - Training Solutions, NSW - National Single Window

**9) Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current quarter ended 30 September 2015.

**10) Contingent Liabilities**

As at 30 September 2015, the Group's contingent liabilities are as follows:-

**a) Bank guarantee**

The Company has pledged a fixed deposit of RM3.84 million for a bank guarantee facility extended to a subsidiary company.

**b) Corporate guarantee**

Corporate guarantees totaling RM30.5 million were issued to licensed banks for credit facilities granted to a subsidiary company

**c) Liquidated Ascertained Damages ("LAD")**

There is a potential contingent liability arising from the delay in a contract undertaken by a subsidiary company.

However, the Directors are confident that the potential LAD claims are unlikely to crystallize as the project is anticipated to be completed based on the extended timeline agreed with the customer.

**d) Term Loans**

Kenanga Investment Bank Berhad (KIBB) loan outstanding is RM31.8m and is secured by 304,112,731 Dagang NeXchange Berhad (DNex) shares pledged as collateral in relation to the funding for the acquisition of DNex shares.

**11) Capital Commitments**

The Group does not have any material commitment for capital expenditure for the current quarter ended 30 September 2015.

**12) Subsequent Events**

- a) On 11th of November 2015, the Company announced that an Extraordinary General Meeting ("EGM") will be convened to seek the shareholders approval for the Proposed Acquisition of fifty one (51%) equity interest in Asian Business Software Solutions Pte Ltd.  
The resolution was duly passed and carried during the EGM convened on 30 November 2015.
- b) On 25th November 2015, Dagang Nexchange Berhad (Dnex) a subsidiary company announced that Bursa Malaysia Securities Bhd had via its letter dated 23 November 2015, has resolved to approve the i)the proposed rights issue ii)the proposed special issue iii)the proposed acquisition and the proposed ESOS. The admission and listing of and quotation for the warrants to be issued pursuant to the above will take place two (2) market days upon the receipt of an application for quotation by Bursa Securities. Dnex is required to ensure full compliance of all the requirement as provided under the Main Market Listing Requirement at all time.



**13) Significant related party transaction**

a) Identities of related parties:

The Company has related party relationships with:

- (i) an entity controlled by certain key management personnel; and
- (ii) the directors and certain members of senior management of the Company who are the key management personnel.

b) The Company carried out the following significant transaction with its related parties during the financial quarter:-

	<b>Current Quarter 30 Sept 2015 RM</b>	<b>Cumulative Quarter 30 Sept 2015 RM</b>
Related parties		
Office rental*	128,850	257,700
Sales	340,432	685,279
Royalty payment	-	360,000
Key Management Personnel		
Short term employee benefit	2,441,716	5,049,071

The transaction was contracted in the normal course of business and concluded under negotiated terms.

\***Inventrix Sdn Bhd** – is a company controlled by common Directors namely, Datuk Samsul Bin Husin, Tamil Selvan A/L M. Durairaj, Ameer Bin Shaik Mydin and Ang Hsin Hsien.

**B) EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS**

**1) Group Performance Review**

**a) Performance of the Current Quarter vs Previous Year Corresponding Quarter**

The Group registered revenue of RM36.97 million for the current quarter under review compared to the previous year's corresponding quarter revenue of RM32.63 million. The higher revenue for the current quarter as compared to the previous year's corresponding quarter was due to the higher contribution from the NSW segment and additional billing milestone for the FMS segment.

The Group recorded a profit before taxation of RM7.38 million for the current quarter compared to the previous year's corresponding quarter profit before taxation of RM5.19 million, again this was due to the higher contribution from the NSW segment and additional billing milestones for the FMS segment.

Tabulated below is the Group's segmental break down by operating divisions of the revenue and profit before tax:-

Division	Current Quarter 30 Sept 2015		Preceding Quarter 30 Sept 2014	
	Revenue RM'000 (unaudited)	Profit/(Loss) Before Tax RM'000 (unaudited)	Revenue RM'000 (unaudited)	Profit/(Loss) Before Tax RM'000 (unaudited)
FMS	8,650	921	8,324	166
PAS	718	215	231	38
WMS	1,381	536	1,113	505
TS	3,194	580	1,288	283
NSW	23,031	6,116	21,669	6,360
OTHERS	-	(987)	-	(2,158)
<b>TOTAL</b>	<b>36,974</b>	<b>7,381</b>	<b>32,625</b>	<b>5,194</b>



**1) Group Performance Review (Cont'd)**

**b) Performance of the Current Financial Period To-date vs Previous Financial Period To-date**

For the current financial year to-date under review, the Group registered a revenue of RM71.03 million compared to the previous year to-date revenue of RM64.15 million. And profit before tax of RM14.77 million for the current year to-date in comparison the RM11.92 million for the preceding year to-date. The increase in revenue and profit before tax was mainly due from the higher contribution of the NSW segment and also the additional billing milestone for the FMS segment.

Division	Current Year To-Date 2015		Previous Year To-Date 2014	
	Revenue RM'000 (unaudited)	Profit/(Loss) Before Tax RM'000 (unaudited)	Revenue RM'000 (unaudited)	Profit/(Loss) Before Tax RM'000 (unaudited)
FMS	17,737	1,207	15,935	1,594
PAS	836	64	1,139	46
WMS	2,153	634	1,639	592
TS	4,653	1,404	3,176	622
NSW	45,647	13,906	42,260	12,870
OTHERS	-	(2,447)	-	(3,812)
<b>TOTAL</b>	<b>71,026</b>	<b>14,768</b>	<b>64,149</b>	<b>11,912</b>

**2) Comparison with Immediate Preceding Quarter's Results**

The Group registered a revenue and profit before taxation of RM34.05 million and RM7.39 million for the immediate preceding quarter ended 30 June 2015 against a revenue of RM36.97 million and profit before taxation of RM7.38 million for the current quarter under review. The increase in revenue for the current quarter was due to additional billing milestone contribution from the FMS segment.

**3) Business Prospects**

The Board expects the performance of the financial year ending 31 March 2016 to be more challenging with the GST implementation opportunities and the Group will continue to leverage on its existing client-base and established presence in the trade facilitation (B2G) business. The Group also expects additional contribution after the acquisition of ABSS Pte Ltd. At the same time, the Group is exploring to broadening its product range in B2B segment of its e-commerce services both domestically and regionally that will have a positive impact on the Group's overall results.

**4) Profit Forecast and Profit Guarantee**

The Group has not provided any profit forecast or profit guarantee.

**5) Income Tax Expense**

The taxation figures are as follows:

	Current Quarter 30 Sept 2015 RM'000	Cumulative Quarter 30 Sept 2015 RM'000
Current tax	1,606	3,582

The current tax paid/payable is mainly in respect of interest income from bank deposits for Century Software (M) Sdn Bhd and Knowledgecom Corporation Sdn Bhd who has been granted Multimedia Super Corridor status, which qualifies the subsidiaries for the Pioneer Status incentive under the Promotion of Investment Act, 1986. As for the Indonesian subsidiary PT Praisindo the tax payable relates to corporation tax and value added tax. Where else for T-Melmax Sdn Bhd, Censof ABSS Sdn Bhd and Dagang NeXchange Bhd is subject to corporation tax.

**6) Sales of Unquoted Investments and/or Properties**

There were no disposals of unquoted investments and/or properties held by the Group as at the date of this interim report

**7) Purchase and/ or Disposal of Quoted Securities**

There were no purchase and/ or disposal of quoted securities by the Group as at the date of this interim report.



**8) Borrowings**

The Group's borrowings as at 30 September 2015 are as follows:

	<b>RM'000</b>
<b>Short-term borrowings</b>	
Hire purchase	67
Project financing	12,503
Term loan	50,686
	<u>63,256</u>
<b>Long-term borrowings</b>	
Hire purchase	967
Term loan	6,165
	<u>7,132</u>
<b>Total</b>	<u><u>70,388</u></u>

The project financing loan is secured by Debenture and Deed of Assignment of all contract proceeds. The term loan is secured by pledging of shares by the Company's major shareholders, Saas Global Sdn Bhd.

**9) Status of Corporate Proposals**

**a) Warrants**

**Warrant A**

A total of 43,025,000 free Warrant were issued on 19 July 2012 and listed on 27 July 2012 with a 5 year exercise/conversion period at a price of RM0.46. The maturity date for the free Warrant A is 18 July 2017.

As at to-date a total of 13,529,675 Warrant A have been converted into shares

<u>Date</u>	<u>No of Warrants</u>	<u>No of Shares Issues</u>	<u>Proceed (RM)</u>	<u>Listing Date</u>
14/08/2013	10,000,000	10,000,000	4,600,000	15/08/2013
19/09/2013	3,527,800	3,527,800	1,622,788	20/09/2013
30/10/2013	1,875	1,875	863	31/10/2013
	<u>13,529,675</u>	<u>13,529,675</u>	<u>6,223,651</u>	

All proceeds have been deposited into Censof Warrant A account and the proceeds were used for working capital purposes.

As at to-date, the outstanding unexercised warrant is 29,495,325.

**Warrant B**

A total of 111,412,717 free Warrant were issued on 8 October 2014 and listed on 15 October 2014 with a 5 year exercise/conversion period at a price of RM0.46. The maturity date for the free Warrant B is 7 October 2019.

As at to-date a total of 7,500 Warrant B have been converted into shares

<u>Date</u>	<u>No of Warrants</u>	<u>No of Shares Issues</u>	<u>Proceed (RM)</u>	<u>Listing Date</u>
02/12/2014	7,500	7,500	3,450	03/12/2014
	<u>7,500</u>	<u>7,500</u>	<u>3,450</u>	

All proceeds have been deposited into Censof Warrant B account and the proceeds were used for working capital purposes.

As at to-date, the outstanding unexercised Warrant is 111,405,217.



**9) Status of Corporate Proposals (cont'd)**

**b) Redeemable Convertible Notes**

On 24 October 2013, Bursa Securities approved the listing of such number of new Censof Shares to be issued pursuant to the conversion of the Redeemable Convertible Notes.

On 31 October 2013, Securities Commission Malaysia approved the issuance of the RCN, subject to conditions.

The proposed RCN was duly approved by the shareholders of the company at the EGM held on the 29 November 2013.

As at to-date, the following transactions were completed.

<u>Date</u>	<u>Sub-tranche</u>	<u>Global Certificate No</u>	<u>Amount (RM)</u>	<u>Status</u>
09/01/2014	1st	01/T1/2013	1,250,000	Converted to shares
14/02/2014	2nd	02/T1/2013	1,250,000	Converted to shares
21/02/2014	3rd	03/T1/2013	1,250,000	Converted to shares
18/04/2014	4th	04/T1/2013	1,250,000	Converted to shares
29/04/2014	5th	05/T1/2013	1,250,000	Converted to shares
20/05/2014	6th	06/T1/2013	1,250,000	Converted to shares
18/06/2014	7th	07/T1/2013	1,250,000	Converted to shares
20/06/2014	8th	08/T1/2013	1,250,000	Converted to shares
02/07/2014	9th & 10th	09&10/T1/2013	2,500,000	Converted to shares
31/07/2014	11th	11/T1/2013	1,250,000	Converted to shares
06/08/2014	12th	12/T1/2013	1,250,000	Converted to shares
21/08/2014	13th & 14th	13&14/T1/2013	2,500,000	Converted to shares
04/09/2014	15th & 16th	15&16/T1/2013	2,500,000	Converted to shares
19/09/2014	17th & 18th	17&18/T1/2013	2,500,000	Converted to shares
03/10/2014	19th & 20th	19&20/T1/2013	2,500,000	Converted to shares
			<b>25,000,000</b>	

The proceeds were utilized for loan repayments.

**c) Private Placement**

On 12 December 2014, Bursa Malaysia Securities Berhad have approved the listing and quotation of up to 62,843,334 new ordinary shares of RM0.10 each in Censof representing up to ten percent (10%) of the existing issued and paid-up share capital of Censof (excluding treasury shares), to be issued pursuant to the Proposed Private Placement.

Since then, the company have issued shares on the following dates:

<u>Allotment Date</u>	<u>Issue Price (RM)</u>	<u>No of New Shares Issued</u>	<u>Amount (RM)</u>	<u>Listing Date</u>
05/02/2015	0.415	20,000,000	8,300,000	06/02/2015
12/03/2015	0.415	5,000,000	2,075,000	13/03/2015
22/04/2015	0.400	10,000,000	4,000,000	27/04/2015
22/09/2015	0.225	10,000,000	2,250,000	23/09/2015
			<b>45,000,000</b>	
			<b>16,625,000</b>	

The utilisation of proceeds which originally allocated for the subscription of DNEX Right Issue is now reallocated to part finance the proposed acquisition of fifty one percent (51%) equity interest of Asian Business Software Solutions Pte Ltd ("Proposed Acquisition").

Bursa Malaysia Securities Berhad had, vide its letter dated 11 June 2015, approved the application for an extension of time of six (6) months from 12 June 2015 until 11 December 2015 to complete the implementation of the Proposed Private Placement.

After the listing of the last tranche the private placement exercise is now completed.

**10) Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments as at the date of this interim report.



**11) Derivatives Financial Instruments**

There were no derivatives financial instruments as at the date of this interim report.

**12) Material Litigations**

There were no material litigations involving the Group as at the date of this interim report.

**13) Dividend**

No dividend has been proposed or declared in relation to the current quarter ended 30 September 2015.

**14) Additional Information**

Profit/ (loss) before taxation is arrived at after charging/ (crediting):

	<b>Current Quarter 30 Sept 2015 RM'000</b>	<b>Cumulative Quarter 30 Sept 2015 RM'000</b>
Interest Income	223	968
Finance Costs*	1,500	2,845
Depreciation and Amortisation	2,830	7,711
* finance cost pertaining to the acquisition of DNex shares.	711	1,345

**15) Realised and Unrealised Profits Disclosure**

The following analysis is prepared in accordance with Guidance on Special Matter No 1, Determination of Realised and Unrealised Profits or Losses in the context of disclosure pursuant to Bursa Securities Listing Requirements, as issues by the Malaysian Institute of Accountant ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad.

	<b>As at 30 Sept 2015 RM'000 (unaudited)</b>	<b>As at 30 Sept 2014 RM'000 (audited)</b>
Total Retained Profits of the Company and its subsidiaries		
- Realized	54,987	47,826
- Unrealized	-	-
	<u>54,987</u>	<u>47,826</u>

**16) Earning per Share**

**a) Basic**

The basic earnings per share is calculated by dividing the profit attributable to owners of the Company for the quarter by the weighted average number of ordinary shares in issue during the financial year under review

	<b>Individual Quarter Ended</b>		<b>Cumulative Quarter Ended</b>	
	<b>Current year Quarter 30 Sept 2015 RM'000 (unaudited)</b>	<b>Preceding year corresponding Quarter 30 Sept 2014 RM'000 (unaudited)</b>	<b>Current Year to-date 30 Sept 2015 RM'000 (unaudited)</b>	<b>Preceding year corresponding Year to-date 30 Sept 2014 RM'000 (audited)</b>
Total comprehensive Income attributable to owners	1,918	(534)	2,757	1,178
Weighted average no. of ordinary shares in issue ('000)	491,099	408,467	491,099	408,467
<b>Basic earnings</b>	<b>0.39</b>	<b>(0.13)</b>	<b>0.56</b>	<b>0.29</b>

**16) Earning per Share (cont'd)**

**b) Diluted**

	Individual Quarter Ended		Cumulative Quarter Ended	
	Current year Quarter 30 Sept 2015 RM'000 (unaudited)	Preceding year corresponding Quarter 30 Sept 2014 RM'000 (unaudited)	Current Year to-date 30 Sept 2015 RM'000 (unaudited)	Preceding year corresponding Year to-date 30 Sept 2014 RM'000 (audited)
Total comprehensive Income attributable to owners	1,918	(534)	2,757	1,178
Impact on Income Statement upon conversion of Warrants and Private Placement	-	-	-	-
<b>Total</b>	<b>1,918</b>	<b>(534)</b>	<b>2,757</b>	<b>1,178</b>
Weighted average no. of ordinary shares in issue ('000)	491,099	408,467	491,099	408,467
Adjustment for dilutive effect on Conversion of Warrants A ('000)	29,495	29,495	29,495	29,495
Adjustment for dilutive effect on Conversion of Warrants B ('000)	111,405	-	111,405	-
<b>TOTAL</b>	<b>631,999</b>	<b>437,962</b>	<b>631,999</b>	<b>437,962</b>
<b>Diluted earnings per share (sen)</b>	<b>0.30</b>	<b>(0.10)</b>	<b>0.44</b>	<b>0.21</b>

**17) Authorisation for issue**

The interim financial statements were authorised for release by the Board of Directors as per the Board Meeting held on 30 November 2015.