



**CENSOF HOLDINGS BERHAD**  
**Company No: 828269-A**  
**(Incorporated in Malaysia)**

Unaudited Condensed Consolidated Financial Statement for the Financial Year 2017  
Second Quarter Ended 30 September 2016



## CENSOFT HOLDINGS BERHAD

(Company No. 828269-A)

### CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016

	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 Months Ended 30/09/2016 RM'000	3 Months Ended 30/09/2015 RM'000	6 Months Ended 30/09/2016 RM'000	6 Months Ended 30/09/2015 RM'000
Revenue	52,234	36,974	114,757	71,026
Cost of sales	(20,159)	(11,164)	(53,604)	(20,864)
<b>Gross profit</b>	<b>32,075</b>	<b>25,810</b>	<b>61,153</b>	<b>50,162</b>
Other income	63	642	2,238	1,418
Administrative expenses	(22,906)	(13,794)	(44,578)	(26,042)
Other expenses *	(21,073)	(3,606)	(21,271)	(7,711)
Results from operating activities	(11,841)	9,052	(2,458)	17,827
Finance costs	(1,770)	(1,500)	(3,287)	(2,845)
<b>Profit before share of associates result</b>	<b>(13,611)</b>	<b>7,552</b>	<b>(5,745)</b>	<b>14,982</b>
Share of associates result	6,871	(171)	92,212	(214)
<b>Profit before tax and zakat</b>	<b>(6,740)</b>	<b>7,381</b>	<b>86,467</b>	<b>14,768</b>
Income tax expense	(2,101)	(1,606)	(4,178)	(3,582)
<b>Net profit for the financial period</b>	<b>(8,841)</b>	<b>5,775</b>	<b>82,289</b>	<b>11,186</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the financial period</b>	<b>(8,841)</b>	<b>5,775</b>	<b>82,289</b>	<b>11,186</b>
<b>Net profit attributable to:</b>				
Equity holders of the Company	(13,873)	1,918	21,820	2,757
Non-controlling interests	5,032	3,857	60,469	8,429
	(8,841)	5,775	82,289	11,186
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	(13,873)	1,918	21,820	2,757
Non-controlling interests	5,032	3,857	60,469	8,429
	(8,841)	5,775	82,289	11,186
<b>Earnings per share attributable to equity holders of the Company:</b>				
Basic (sen)	(2.77)	0.39	4.35	0.56
Diluted (sen)	N/A	0.30	N/A	0.44

\* Inclusive of the loss of derecognition of a subsidiary upon the disposal of DNeX Shares amounting to RM15.96 million.

*The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2016.*



**CENSOFT HOLDINGS BERHAD**

(Company No. 828269-A)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2016**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>As At 30/09/2016 RM'000</b>	<b>As At 31/03/2016 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Plant and equipment	2,944	23,712
Intangible assets	27,297	33,191
Goodwill	29,019	67,167
Investments	100	4,272
Investment in Associates	88,583	-
	147,943	128,342
<b>Current assets</b>		
Inventories	53	61
Amount owing by contract customers	37,961	32,278
Trade receivables	50,168	101,205
Other receivables, deposits and prepayments	11,614	71,457
Deferred expenses	118	148
Tax refundable	236	1,863
Fixed deposits placed with licensed banks	6,767	10,502
Cash and bank balances	9,340	18,041
	116,257	235,555
<b>TOTAL ASSETS</b>	264,200	363,897
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to Equity Holders of the Company</b>		
Share Capital	50,170	50,170
Share premium	50,379	50,379
Merger deficit	(12,300)	(12,300)
Retained profits	70,620	48,678
Foreign exchange translation reserves	(39)	103
	158,830	137,030
<b>Non-controlling interests</b>	11,592	73,409
<b>Total equity</b>	170,422	210,439

**CENSO HOLDINGS BERHAD**

(Company No. 828269-A)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2016 (Continued)**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>As At 30/09/2016 RM'000</b>	<b>As At 31/03/2016 RM'000</b>
<b>Non-current liabilities</b>		
Long term borrowings	46,433	44,611
Deferred taxation	2,806	3,463
	<u>49,239</u>	<u>48,074</u>
<b>Current liabilities</b>		
Trade payables	7,351	9,133
Other payables and accruals	6,941	40,422
Short term borrowings	13,992	41,046
Deferred income	4,060	6,720
Bank overdrafts	8,090	3,582
Provision for taxation	4,105	4,481
	<u>44,539</u>	<u>105,384</u>
<b>Total liabilities</b>	<u>93,778</u>	<u>153,458</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>264,200</u>	<u>363,897</u>
Net assets per share attributable to ordinary equity holders of the Company (sen)	31.66	28.12

*The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2016.*



**CENSOFF HOLDINGS BERHAD**  
(Company No. 828269-A)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016**

	←————— Attributable to Equity Holders of the Company —————→							Total Equity
	←————— Non-Distributable —————→			Distributable				
	Share Capital	Share Premium	Merger Deficit	Foreign Exchange Translation Reserve	Retained Profits	Attributable to Owners of the Company	Non-controlling Interest	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>(UNAUDITED)</b>								
<b>At 1 April 2016</b>	50,170	50,379	(12,300)	103	48,678	<b>137,030</b>	73,409	<b>210,439</b>
Total comprehensive income	-	-	-	(142)	21,820	<b>21,678</b>	60,469	<b>82,147</b>
Changes in ownership interest in subsidiary (effects of change in stake)	-	-	-	-	122	<b>122</b>	(122,286)	<b>(122,164)</b>
<b>At 30 September 2016</b>	<b>50,170</b>	<b>50,379</b>	<b>(12,300)</b>	<b>(39)</b>	<b>70,620</b>	<b>158,830</b>	<b>11,592</b>	<b>170,422</b>



**CENSOF HOLDINGS BERHAD**  
(Company No. 828269-A)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016 (Continued)**

	←————— Attributable to Equity Holders of the Company —————→							Total Equity
	Share Capital	←————— Non-Distributable —————→			Distributable Retained Profits	Attributable to Owners of the Company	controlling Interest	
		Share Premium	Merger Deficit	Exchange Translation				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>(AUDITED)</b>								
<b>At 1 April 2015</b>	47,666	45,384	(12,300)	(320)	52,231	<b>132,661</b>	81,536	<b>214,197</b>
Total comprehensive income	-	-	-	423	(7,191)	<b>(6,768)</b>	15,023	<b>8,255</b>
Contributions by and distributions to owners of the Company:								
Changes in ownership interest in subsidiaries that do not result in loss of control	-	-	-	-	3,638	<b>3,638</b>	(3,638)	-
Acquisition of subsidiary	-	-	-	-	-	-	7,250	<b>7,250</b>
Issuance of shares:								
- Issue of share of a subsidiary to NCI	-	-	-	-	-	-	(20)	<b>(20)</b>
- Private placement	2,000	4,250	-	-	-	<b>6,250</b>	-	<b>6,250</b>
- Conversion of RCN	504	745	-	-	-	<b>1,249</b>	-	<b>1,249</b>
Dividends:								
- By subsidiaries to NCI	-	-	-	-	-	-	(3,455)	<b>(3,455)</b>
- Selective capital reduction and repayment	-	-	-	-	-	-	(23,287)	<b>(23,287)</b>
Total Transaction with Owners	2,504	4,995	-	-	3,638	<b>11,137</b>	(23,150)	<b>(12,013)</b>
<b>At 31 March 2016</b>	<b>50,170</b>	<b>50,379</b>	<b>(12,300)</b>	<b>103</b>	<b>48,678</b>	<b>137,030</b>	<b>73,409</b>	<b>210,439</b>

*The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2016.*



## CENSOFT HOLDINGS BERHAD

(Company No. 828269-A)

### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016

	UNAUDITED	AUDITED
	6 Months Ended 30/09/2016 RM'000	12 Months Ended 31/03/2016 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	86,467	17,003
Adjustments for:		
Amortisation of intangible assets	5,894	5,390
Depreciation of plant and equipment	1,768	10,305
Finance costs	3,287	6,096
Gain on disposal of plant and equipment	-	(1)
Impairment losses on trade and other receivables	-	14,411
Interest income	(141)	(1,515)
Loss on derecognition of subsidiary	15,963	-
Unrealised gain on foreign exchange	(142)	(178)
Operating profit before working capital changes	113,096	51,511
Changes in working capital:		
Amount owing by contract customers	(5,683)	(2,086)
Inventories	8	6
Trade and other receivables	16,077	(44,159)
Trade and other payables	10,640	19,019
Deferred income	(2,660)	(2,511)
Amount owing to related party	-	5,664
Income tax refund/(paid)	1,627	(10,662)
Interest received	141	1,157
Finance cost	(3,287)	(5,568)
<b>Net Operating Cash Flows</b>	<b>129,959</b>	<b>12,371</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of subsidiary, net cash & cash equivalent	-	(27,914)
Investment in associates	(143,096)	-
Investment in subsidiary	(38,318)	-
Purchase of plant and equipment	(933)	(17,371)
Proceeds from disposal of asset	-	3
Selective Capital Repayment	-	(23,287)
Intangible assets paid	-	(5,385)
<b>Net Investing Cash Flows</b>	<b>(182,347)</b>	<b>(73,954)</b>



**CENSOFT HOLDINGS BERHAD**

(Company No. 828269-A)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016 (Continued)**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>6 Months Ended 30/09/2016 RM'000</b>	<b>12 Months Ended 31/03/2016 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid to non-controlling interests	-	(3,475)
Drawdown of term loans / hire purchase	22,344	65,166
Placement of pledged deposits and restricted cash	(4,761)	(5,232)
Proceeds from disposal of subsidiary shares	44,725	-
Proceeds from issuance of:		
- private placement	-	6,250
- conversion of RCN	-	1,249
Repayment of hire purchase obligations	(78)	(147)
Repayment of term loan	(17,050)	(58,899)
<b>Net Financing Cash Flows</b>	<b>45,180</b>	<b>4,912</b>
Net change in cash and cash equivalents	(7,208)	(56,671)
Effect of exchange rate changes	-	206
Cash and cash equivalents at the beginning of the financial year	10,464	66,929
Cash and cash equivalents at the end of the financial period/year	<b>3,256</b>	<b>10,464</b>
<b>Analysis of Cash and Cash Equivalents</b>		
Fixed deposits placed with licensed banks	6,767	10,428
Short term investments	-	74
Cash and bank balances	9,340	18,041
Bank overdrafts	(8,090)	(3,582)
	8,017	24,961
Less: Fixed deposits pledged as security	(4,761)	(14,497)
<b>Total</b>	<b>3,256</b>	<b>10,464</b>

*The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2016.*





## CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

### INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2016

#### PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD (“FRS”) 134 INTERIM FINANCIAL REPORTING

##### A1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with the requirements of FRS 134 - Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 March 2016. These explanatory notes attached to the interim financial report 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 March 2016.

##### A2. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted by the Group in the quarterly financial statements are consistent with those adopted in the financial statements for financial year ended 31 March 2016. The Group has not applied in advance the following accounting standards and/or interpretations (*including the consequential amendments, if any*) that have been issued by the Malaysian Accounting Standard Board (“MASB”) but are not yet effective for the current financial period:

###### MFRSs

MFRS 14 Regulatory Deferral Accounts

###### Amendments to MFRSs and/or IC Interpretations

MFRS 5 Annual Improvements to MFRSs 2012 – 2014 Cycle

MFRS 7 Annual Improvements to MFRSs 2012 – 2014 Cycle

MFRS 10, MFRS 12 & MFRS 128 (2011) Investment Entities – Applying the Consolidation Exception

MFRS 11 Accounting for Acquisitions of Interests in Joint Operations

MFRS 101 Presentation of Financial Statements – Disclosure Initiative

MFRS 116 & MFRS 138 Clarification of Acceptable Methods of Depreciation and Amortisation

MFRS 116 & MFRS 141 Agriculture – Bearer Plants

MFRS 119 Annual Improvements to MFRSs 2012 – 2014 Cycle

MFRS 127 (2011) Equity Method in Separate Financial Statements

MFRS 134 Annual Improvements to MFRSs 2012 – 2014 Cycle

The adoption of the above accounting standards and interpretations (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements.

##### A3. AUDIT REPORT

The auditors' report on the Group's annual financial statements for the financial year ended 31 March 2016 was qualified with the basis of long outstanding amount of approximately RM6.7 million due from contract customers relating to government agency that impairment loss adjustment should be made.



## **CENSOF HOLDINGS BERHAD**

(Company No. 828269-A)

### **INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2016**

#### **PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD ("FRS") 134 INTERIM FINANCIAL REPORTING**

##### **A4. SEASONAL OR CYCLICAL FACTORS**

The operations of the Group were not significantly affected by any seasonal or cyclical factors during the financial period under review.

##### **A5. UNUSUAL SIGNIFICANT ITEMS**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the financial period under review.

##### **A6. CHANGES IN ESTIMATES**

There were no major changes in estimates that have a material effect for the current quarter ended 30 September 2016.

##### **A7. DEBT AND EQUITY SECURITIES**

There were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period under review.

##### **A8. DIVIDEND PAID**

There was no payment of dividend in the current quarter.



## CENSO HOLDINGS BERHAD

(Company No. 828269-A)

### INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2016

#### PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD ("FRS") 134 INTERIM FINANCIAL REPORTING

#### A9. SEGMENTAL REPORTING

6 months ended 30 September 2016 (Current Financial Period)

Division	Revenue RM'000	Elimination RM'000	Consolidation RM'000	Profit/(Loss) Before Tax RM'000
FMS - G	14,011	(1,787)	12,224	1,610
PAS	723	-	723	(168)
WMS	2,338	-	2,338	348
TS	5,761	-	5,761	1,542
NSW	84,257	-	84,257	101,231
FMS - C	9,454	-	9,454	2,853
OTHERS	3,812	(3,812)	-	(20,949)
<b>TOTAL</b>	<b>120,356</b>	<b>(5,599)</b>	<b>114,757</b>	<b>86,467</b>

FMS – G : Financial Management Solution – Government (includes the performance of JV Company Censof-ABSS Sdn Bhd and ABSS)

PAS : Payment Aggregation Solutions

WMS : Wealth Management Solutions

TS : Training Solutions

NSW : National Single Window

FMS – C : Financial Management Solution – Commercial

#### A10. SIGNIFICANT SUBSEQUENT EVENTS

There were no significant subsequent events to the end of the quarter under review.

#### A11. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the current quarter ended 30 September 2016 other than the following developments:-

- (i) On 3 August 2016, upon the Company's full subscription for its entitlement under Dagang NeXchange Berhad ("DNeX") right issue pursuant to an irrevocable written undertaking provided by the Company in 2014, the Company increased its shareholding in DNeX by an additional 182,467,638 shares and 182,467,638 warrants for a cash consideration of RM38.32 million, financed mainly by external borrowings.
- (ii) On 16 August 2016, the Company's interest in DNeX was diluted from 39.23% to 28.61% arising from the Right Issue exercise of DNeX and the issuance of shares arising from DNeX's acquisition of OGPC Sdn Bhd and OGPC O&G Sdn Bhd.



## CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

### INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2016

#### PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD ("FRS") 134 INTERIM FINANCIAL REPORTING

##### A11. CHANGES IN COMPOSITION OF THE GROUP (Continued)

- (iii) On 17 August 2016, the Company entered into a share sale agreement ("SSA") with Arcadia Acres Sdn Bhd for the disposal of 123,780,000 ordinary shares in DNex at a sale price of RM0.25 per DNex share and disposal of 136,467,638 Warrants in DNex at a sale price of RM0.01 per DNex warrant for a total cash consideration of approximately RM32.3 million.

The disposal proceeds of RM31.8 million shall be utilized for DNex's Right Issue loans repayment and the remaining balance for the defrayment of expenses in relation to the above disposals.

- (iv) On 22 August 2016, the Company disposed 46,000,000 warrants at a sale price of RM0.03 per DNex warrant for a total cash consideration of approximately RM1.38 million.
- (v) On 25 August 2016, the Company's interest in DNex was further diluted from 21.33% to 20.94% arising from the Special Issue Share in DNex.
- (vi) On 19 September 2016, the Company disposed of 52,000,000 ordinary shares in DNex via off-market direct business transactions at a sale price of RM0.265 per DNex share to the Arcadia Acres Sdn Bhd for a total cash consideration of approximately RM13.8 million. Consequently, the Company's interest in DNex was further decreased from 20.94% to 17.94% equity interest in DNex. Consequently, DNex ceased to be a subsidiary of the Company.

The disposal proceeds of RM10.7 million shall be utilized for Group's working capital and RM3 million towards the settlement of Rights Issue Loan. The remaining balances are for the defrayment of expenses in relation to the above disposals.

##### A12. CHANGES IN CONTINGENT LIABILITIES

As at 30 September 2016, 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 RM32.5 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 crystallise as the project is anticipated to be completed based on the extended timeline agreed with the customer.



## CENSOFT HOLDINGS BERHAD

(Company No. 828269-A)

### INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2016

#### **PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD (“FRS”) 134 INTERIM FINANCIAL REPORTING**

#### **A12. CHANGES IN CONTINGENT LIABILITIES (Continued)**

(d) Term Loans

- (i) Kenanga Investment Bank Berhad (KIBB) loan outstanding is RM15.2 million and is secured by 304,112,731 DNex shares.
- (ii) RHB Bank Berhad loan outstanding is RM18.4 million and is secured by 306,000 ABSS Pte Ltd shares pledged as collateral in relation to the funding for the acquisition of ABSS shares.

#### **A13. CAPITAL COMMITMENTS**

The Group does not have any material commitment for capital expenditure for the current quarter ended 30 September 2016.

#### **A14. SIGNIFICANT RELATED PARTY TRANSACTION**

(a) Identifies of related parties:

The Company has related party relationship 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 period under review:-

	<b>3 Months Ended 30/09/2016 RM'000</b>	<b>6 Months Ended 30/09/2016 RM'000</b>
<b>Related Parties</b>		
Office rental *	128,850	257,700
<b>Key Management Personnel</b>		
Short term employee benefit	962,517	1,925,034

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.*



## CENSOFT HOLDINGS BERHAD

(Company No. 828269-A)

### INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2016

#### PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

#### B1. OPERATING SEGMENTS REVIEW

##### REVIEW OF PERFORMANCE AGAINST PREVIOUS YEAR CORRESPONDING PERIOD

The Group registered revenue of RM114.76 million for the current quarter under review compared to the previous year's corresponding quarter revenue of RM71.03 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.

The Group recorded a profit before taxation of RM86.47 million for the current quarter compared to the previous year's corresponding quarter profit before taxation of RM14.77 million, again this was due to the significant contribution from the NSW segment and the share of result of an associate company. However, the profit before tax was partially offset by the loss of derecognition a subsidiary upon the disposal of DNeX shares amounting to RM15.96 million.

Tabulated below is the Group's segmental breakdown by operating divisions of the revenue and profit before taxation:-

	UNAUDITED CUMULATIVE PERIOD		UNAUDITED CUMULATIVE PERIOD	
	6 Months Ended 30/09/2016 RM'000	6 Months Ended 30/09/2015 RM'000	6 Months Ended 30/09/2016 RM'000	6 Months Ended 30/09/2015 RM'000
	<b>REVENUE</b>		<b>PROFIT/(LOSS) BEFORE TAX</b>	
FMS - G	12,224	17,737	1,610	1,207
PAS	723	836	(168)	64
WMS	2,338	2,153	348	634
TS	5,761	4,653	1,542	1,404
NSW	84,257	45,647	101,231	13,906
FMS - C	9,454	-	2,853	-
OTHERS	-	-	(20,949) *	(2,447)
	114,757	71,026	86,467	14,768

\* Inclusive of the loss of derecognition of a subsidiary upon the disposal of DNeX Shares amounting to RM15.96 million.



## CENSOFT HOLDINGS BERHAD

(Company No. 828269-A)

### INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2016

#### **PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

#### **B2. MATERIAL CHANGES IN CURRENT QUARTER'S RESULT AS COMPARED TO PRECEDING QUARTER**

The Group registered a revenue and profit before taxation of RM62.52 million and RM93.21 million respectively for the immediate preceding quarter ended 30 June 2016 against a revenue of RM52.23 million and loss before taxation of RM6.74 million for the current quarter under review. The significant decrease for the current quarter was due to loss of derecognition a subsidiary upon the disposal of DNeX shares.

#### **B3. BUSINESS PROSPECTS**

The Board is mindful of the competition environment that the Group is experiencing, coupled with the lower margins due to intense competition for government tenders. Accordingly, the Group is expected to remain profitable for the remaining financial period.

#### **B4. STATEMENT OF THE BOARD OF DIRECTORS' OPINION ON ACHIEVEABILITY OF FINANCIAL ESTIMATE, FORECAST, PROJECTION AND INTERNAL TARGETS PREVIOUSLY ANNOUNCED**

This is not applicable to the Group.

#### **B5. FINANCIAL ESTIMATE, FORECAST OR PROJECTION / PROFIT GUARANTEE**

There was no financial estimate, forecast or projection and profit guarantee issued by the Group.

#### **B6. TAXATION**

Taxation comprises the following:

	<b>3 Months Ended 30/09/2016 RM'000</b>	<b>6 Months Ended 30/09/2016 RM'000</b>
Current tax	2,101	4,178

Knowledgecom Corporation Sdn Bhd who has been granted Multimedia Corridor status, which qualifies the subsidiaries for the Pioneer Status incentive under the Promotion of Investment Act, 1986. All other operating companies are subject to corporate tax.



**CENSOFT HOLDINGS BERHAD**  
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**B7. 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.

**B8. PURCHASE AND/OR DISPOSAL OF QUOTED SECURITIES**

There were no disposal of quoted securities by the Group during the current quarter under review, except as disclosed in Note A11 of this interim report.

**B9. GROUP BORROWINGS**

The details of the Group borrowings are as follows:

	<b>As at 30/09/2016</b>
	<b>Total</b>
	<b>RM'000</b>
<b>Short term borrowings</b>	
- Hire purchase	78
- Project financing	10,714
- Term loan	3,200
- Bank overdraft	8,090
	<u>22,082</u>
<b>Long term borrowings</b>	
- Hire purchase	806
- Term loan	45,627
	<u>46,433</u>

The project financing is secured by way of 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.

**B10. 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.





## CENSOF HOLDINGS BERHAD

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#### B10. STATUS OF CORPORATE PROPOSALS (Continued)

##### (a) Warrants (Continued)

###### Warrant A

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

Date	No of Warrants	No of Shares Issues	Proceeds RM	Listing Date
14 August 2013	10,000,000	10,000,000	4,600,000	15 August 2013
19 September 2013	3,527,800	3,527,800	1,622,788	20 September 2013
30 October 2013	1,875	1,875	863	31 October 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 purpose.

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.

Date	No of Warrants	No of Shares Issues	Proceeds RM	Listing Date
2 December 2014	<u>7,500</u>	<u>7,500</u>	<u>3,450</u>	3 December 2014

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.

##### (b) Private Placement

On 12 December 2014, Bursa Malaysia Securities Berhad have approved the listing an 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.

To-date, a total of 45 million new ordinary shares have been issued under the Private Placement exercise with gross proceed of RM16.62 million received.



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#### **B11. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

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

#### **B12. DERIVATIVES FINANCIAL INSTRUMENTS**

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

#### **B13. MATERIAL LITIGATION**

As at 21 September 2016, being 7 days prior to the date of this report, there has been no material litigation pending of which the value exceeds 5% of the Group's net tangible assets.

#### **B14. DIVIDEND**

No interim dividend has been declared for the current quarter under review.

#### **B15. EARNINGS PER SHARE**

##### **Basic earnings per share**

The basic earnings per share has been calculated by dividing the net profit for the financial year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue.

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE PERIOD</b>	
	<b>3 Months Ended 30/09/2016</b>	<b>3 Months Ended 30/09/2015</b>	<b>6 Months Ended 30/09/2016</b>	<b>6 Months Ended 30/09/2015</b>
Net profit attributable to ordinary equity holders of the Company (RM'000)	(13,873)	1,918	21,820	2,757
Number of ordinary shares in issue ('000)	501,703	491,099	501,703	491,099
Basic earnings per share (sen)	<u>(2.77)</u>	<u>0.39</u>	<u>4.35</u>	<u>0.56</u>



## CENSO HOLDINGS BERHAD

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#### B15. EARNINGS PER SHARE (Continued)

##### Diluted earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 Months Ended 30/09/2016	3 Months Ended 30/09/2015	6 Months Ended 30/09/2016	6 Months Ended 30/09/2015
Net profit attributable to ordinary equity holders of the Company (RM'000)	(13,873)	1,918	21,820	2,757
<u>Weighted average ('000)</u>				
Number of ordinary shares in issue	501,703	491,099	501,703	491,099
Adjustment for dilutive effect on Conversion of Warrants A	-	29,495	-	29,495
Adjustment for dilutive effect on Conversion of Warrants B	-	111,405	-	111,405
	501,703	631,999	501,703	631,999
Basic earnings per share (sen)	(2.77)	0.30	4.35	0.44

#### B16. DISCLOSURE OF REALISED AND UNREALISED PROFITS

On 25 March 2010, Bursa Malaysia Securities Berhad (“Bursa Securities”) issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of the Bursa Securities Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profit or losses.

On 20 December 2010, Bursa Securities further issued guidance on the disclosure and the format required.

The breakdown of the retained profits of the Group as at 30 September 2016, into realised and unrealised profits, pursuant to the directive, is as follows:

	As at 30/09/2016 RM'000	As at 30/09/2015 RM'000
Total retained profits of the Group		
- Realised	70,620	54,987
- Unrealised	-	-
Total Group's retained profits as per consolidated account	70,620	54,987



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##### **B16. DISCLOSURE OF REALISED AND UNREALISED PROFITS (Continued)**

The determination of realised and unrealised profits is compiled based on the Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profit or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements as stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

##### **B17. NOTES TO THE CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

Total comprehensive income for the financial year was derived after charging/(crediting) the following items:

	<b>3 Months Ended 30/09/2016 RM'000</b>	<b>6 Months Ended 30/09/2016 RM'000</b>
Depreciation and amortisation	(135)	7,662
Finance costs	1,770	3,287
Interest income	604	(141)
Loss on derecognition of a subsidiary	15,963	15,963

Other than as disclosed above, the Group does not have any material items that were recognised as profit/loss in the Consolidated Statements of Comprehensive Income.

##### **B18. AUTHORISATION FOR ISSUE**

The interim financial statements were authorized for release by the Board of Directors as per the Board Meeting held on 28 November 2016.