



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

Unaudited Condensed Consolidated Financial Statement for the Financial Year 2020
Fourth Quarter Ended 31 March 2020



CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	UNAUDITED		UNAUDITED	AUDITED
	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 Months Ended 31/03/2020 RM'000	3 Months Ended 31/03/2019 RM'000	12 Months Ended 31/03/2020 RM'000	12 Months Ended 31/03/2019 RM'000
Revenue	31,446	14,461	76,776	63,264
Cost of sales	(20,243)	(10,437)	(47,560)	(35,773)
Gross profit	11,203	4,024	29,216	27,491
Other income	2,773	3,374	6,663	4,143
Administrative expenses	(5,181)	(5,293)	(24,835)	(28,932)
Other expenses	(80,383)	(2,963)	(80,967)	(4,305)
Results from operating activities	(71,588)	(858)	(69,923)	(1,603)
Finance costs	(825)	(732)	(3,119)	(3,507)
(Loss) / Profit before share of associates result	(72,413)	(1,590)	(73,042)	(5,110)
Share of associates result	336	(1,118)	3,925	4,334
Profit before tax and zakat	(72,077)	(2,708)	(69,117)	(776)
Income tax expense	(101)	122	(805)	(133)
Net profit for the financial period	(72,178)	(2,586)	(69,922)	(909)
Other comprehensive income	797	2,747	858	1,663
Total comprehensive income for the financial period	(71,381)	161	(69,064)	754
Net profit attributable to:				
Equity holders of the Company	(72,282)	(1,737)	(70,746)	681
Non-controlling interests	104	(849)	824	(1,590)
	(72,178)	(2,586)	(69,922)	(909)
Total comprehensive income attributable to:				
Equity holders of the Company	(72,143)	409	(69,888)	2,344
Non-controlling interests	762	(248)	824	(1,590)
	(71,381)	161	(69,064)	754
Earnings per share attributable to equity holders of the Company:				
Basic (sen)	(14.40)	(0.35)	(14.09)	0.14

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2019.



CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2020**

	UNAUDITED	AUDITED
	As At 31/03/2020 RM'000	As At 31/03/2019 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,938	2,158
Right-of Use Assets	1,693	-
Intangible assets	16,833	19,542
Goodwill	26,286	29,039
Other investments	17,276	100
Investment in associate	-	95,462
Deferred tax asset	66	-
	64,092	146,301
Current assets		
Inventories	41	44
Trade receivables	29,637	20,321
Other receivables, deposits and prepayments	5,021	4,340
Amount owing by related parties	319	1,184
Current tax assets	709	697
Fixed deposits placed with licensed banks	3,886	9,991
Cash and bank balances	7,726	6,591
	47,339	43,168
TOTAL ASSETS	111,431	189,469
EQUITY AND LIABILITIES		
Equity attributable to Equity Holders		
Share capital	100,575	100,575
Merger deficit	(12,300)	(12,300)
Retained profits	(26,958)	42,982
Foreign exchange translation reserve	(505)	(1,449)
Share option reserve	-	168
	60,812	129,976
Non-controlling interests	3,418	3,914
Total equity	64,230	133,890



CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2020 (Continued)**

	UNAUDITED	AUDITED
	As At	As At
	31/03/2020	31/03/2019
	RM'000	RM'000
Non-current liabilities		
Long term borrowings	10,792	16,008
Lease liabilities	671	-
Deferred taxation	1,094	1,260
	<u>12,557</u>	<u>17,268</u>
Current liabilities		
Trade payables	3,085	2,401
Other payables and accruals	7,634	5,567
Amount owing to a related party	199	48
Short term borrowings	11,610	21,192
Lease liabilities	1,057	-
Deferred income	5,784	4,005
Bank overdrafts	3,578	3,563
Provision for taxation	1,697	1,535
	<u>34,644</u>	<u>38,311</u>
Total liabilities	<u>47,201</u>	<u>55,579</u>
TOTAL EQUITY AND LIABILITIES	<u>111,431</u>	<u>189,469</u>
Net assets per share attributable to ordinary equity holders of the Company (sen)	12.11	25.89

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2019.



CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	← Attributable to Equity Holders of the Company →					← Distributions →			Total Equity RM'000
	Non-Distributable		Distributable			Attributable to Owners of the Company	Non- controlling Interest		
	Share Capital RM'000	Share Premium RM'000	Merger Deficit RM'000	Share Option Reserve RM'000	Translation Reserve RM'000	Retained Profits RM'000	RM'000	RM'000	RM'000
(UNAUDITED)									
At 1 April 2019	100,575	-	(12,300)	168	(1,449)	42,982	129,976	3,914	133,890
Profit after taxation	-	-	-	-	-	(70,746)	(70,746)	824	(69,922)
Other comprehensive income for the financial period:									
- Foreign currency translation differences	-	-	-	-	80	-	80	-	80
- Disposal of partial investment in associate	-	-	-	-	(366)	-	(366)	-	(366)
- Re-measurement upon change of recognition of an associate to other investment	-	-	-	-	(543)	-	(543)	-	(543)
- Share of other comprehensive income of associate	-	-	-	-	1,773	-	1,773	-	1,773
Total comprehensive income for the financial period	-	-	-	-	944	(70,746)	(69,802)	824	(68,978)
Contributions by and distributions to owners of the Company:									
- Dividend paid by subsidiaries to NCI	-	-	-	-	-	-	-	(1,662)	(1,662)
- Shares allotment in subsidiaries	-	-	-	-	-	-	-	97	97
- Acquisition of subsidiaries	-	-	-	-	-	-	-	145	145
- Disposal of partial investment in subsidiary	-	-	-	-	-	806	806	100	906
Share of equity reserve of an associate	-	-	-	(1)	6	(576)	(571)	-	(571)
- Disposal of partial investment in associate	-	-	-	(67)	(2)	231	162	-	162
- Re-measurement upon change of recognition of an associate to other investment	-	-	-	(100)	(4)	345	345	-	345
At 31 March 2020	100,575	-	(12,300)	-	(505)	(26,958)	60,812	3,418	64,230



CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (Continued)**

	Attributable to Equity Holders of the Company					Attributable to Owners of the Company	Non-controlling Interest	Total Equity	
	Non-Distributable			Distributable					
	Share Capital	Share Premium	Merger Deficit	Share Option Reserve	Translation Reserve	Retained Profits			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
(AUDITED)									
At 1 April 2018	50,196	50,379	(12,300)	1,037	(3,100)	42,380	128,592	7,251	135,843
- Adjustment on initial application of MFRS 9, net of tax	-	-	-	-	-	(329)	(329)	-	(329)
Adjusted balance as at 1 April 2018	50,196	50,379	(12,300)	1,037	(3,100)	42,051	128,263	7,251	135,514
Profit / (Loss) after taxation	-	-	-	-	-	681	681	(1,590)	(909)
Other comprehensive income:									
- Foreign currency translation differences	-	-	-	-	142	-	142	-	142
- Share of other comprehensive income of an equity accounted associate	-	-	-	-	1,521	-	1,521	-	1,521
Total comprehensive income	-	-	-	-	1,663	681	2,344	(1,590)	754
Contributions by and distributions to owners of the Company:									
- Accretion loss from changes in a subsidiary's ownership interests	-	-	-	-	-	1,581	1,581	(2,099)	(518)
- Share issued by a subsidiary to non-controlling interest	-	-	-	-	-	-	-	49	49
- Dividends by subsidiaries to NCI	-	-	-	-	-	-	-	(814)	(814)
- Transfer to share capital upon implementation of the Companies Act 2016	50,379	(50,379)	-	-	-	-	-	-	-
- Changes in a subsidiary's ownership interests that do no result in a loss of control	-	-	-	-	-	533	533	1,117	1,650
Total transactions with owners	50,379	(50,379)	-	-	-	2,114	2,114	(1,747)	367
Share of equity reserve of an associate	-	-	-	(869)	(12)	(1,864)	(2,745)	-	(2,745)
At 31 March 2019	100,575	-	(12,300)	168	(1,449)	42,982	129,976	3,914	133,890

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 2019.



CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	UNAUDITED	AUDITED
	12 Months Ended 31/03/2020 RM'000	12 Months Ended 31/03/2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	(69,117)	(776)
Adjustments for:		
Amortisation of intangible assets	5,029	3,989
Bad debts written off	-	102
Depreciation of plant and equipment	1,394	1,173
Fair value gain on quoted investment	(3,812)	-
Gain on partial disposal of investment in subsidiary	-	-
Impairment losses on trade receivables	221	2,858
Impairment losses on other receivables	-	151
Interest expense	3,119	3,507
Interest income	(210)	(163)
Share of results from an associate	(3,925)	(4,334)
Impairment loss on goodwill	3,244	-
Loss on arising from re-measurement of investment in associate	45,382	-
Loss on disposal of investment in associates	29,640	-
Loss on disposal of other investment	870	-
Reversal of impairment losses on trade receivables	(1,979)	(201)
Reversal of impairment losses on other receivables	-	(28)
Unrealised loss on foreign exchange	-	92
Operating profit before working capital changes	<u>9,856</u>	<u>6,370</u>
Changes in working capital:		
Amount owing by contract customers	-	397
Inventories	3	(9)
Trade and other receivables	(8,239)	19,844
Trade and other payables	2,751	(6,662)
Deferred income	1,779	315
Amount owing to related party	1,016	(403)
Income tax paid	(428)	(632)
Finance cost	(3,119)	(3,507)
Net Operating Cash Flows	<u><u>3,619</u></u>	<u><u>15,713</u></u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Advances to related parties	-	(781)
Acquisition of subsidiaries	(642)	-
Purchase of property, plant and equipment	(1,174)	(1,005)
Purchase of unquoted shares	(3,200)	-
Proceeds from disposal of property, plant and equipment	-	1
Intangible assets additions	(2,320)	(2,747)
Net Investing Cash Flows	<u><u>(7,336)</u></u>	<u><u>(4,532)</u></u>

**CENSOF HOLDINGS BERHAD**

(Company No. 828269-A)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (Continued)**

	UNAUDITED	AUDITED
	12 Months Ended 31/03/2020 RM'000	12 Months Ended 31/03/2019 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends received from an associates	1,425	-
Dividends paid to non-controlling interests	(1,662)	(814)
Decrease in pledged fixed deposits with licensed bank and restricted cash	2,767	528
Interest received	210	163
Proceeds from issuance of shares to NCI in a subsidiary	49	49
Proceeds from disposal of partial interest in a subsidiary that do not result in loss of control	12,602 906	- 1,650
Repayment to related parties		(180)
Repayment of hire purchase obligations	(139)	(133)
Repayment of term loan	(14,659)	(1,322)
Share buyback by a subsidiary		(518)
Net Financing Cash Flows	<u>1,499</u>	<u>(577)</u>
Net change in cash and cash equivalents	(2,218)	10,604
Effect of foreign exchange translation	-	78
Cash and cash equivalents at the beginning of the financial year	9,059	(1,623)
Cash and cash equivalents at the end of the financial year	<u>6,841</u>	<u>9,059</u>
Analysis of Cash and Cash Equivalents		
Fixed deposits placed with licensed banks	3,886	9,991
Cash and bank balances	7,726	6,591
Bank overdrafts	(3,578)	(3,563)
	<u>8,034</u>	<u>13,019</u>
Less: Fixed deposits pledged as security	(1,193)	(3,960)
Total	<u>6,841</u>	<u>9,059</u>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2019.



CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2020

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 MFRS 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 2019. 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 2019.

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 2019. 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 year:

MFRSs and IC Interpretations

MFRS 17 Insurance Contracts

Amendments to MFRSs and IC Interpretations

MFRS 3 Business Combinations

MFRS 101 Presentation of Financial Statements

MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

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 issued an unqualified audit opinion on the financial statements for the financial year ended 31 March 2019.

A4. SEASONAL OR CYCLICAL FACTORS

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

A6. CHANGES IN ESTIMATES

There were no major changes in estimates that have a material effect for the current quarter ended 31 March 2020.

**CENSOF HOLDINGS BERHAD**

(Company No. 828269-A)

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2020**PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD (“FRS”) 134 INTERIM FINANCIAL REPORTING****A7. DEBT AND EQUITY SECURITIES**

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

A8. DIVIDEND PAID

There was no payment of dividend in the current quarter.

A9. SEGMENTAL REPORTING**12 months ended 31 March 2020 (Current Financial Year)**

Division	Revenue RM'000	Elimination RM'000	Consolidation RM'000	Profit/(Loss) Before Tax RM'000
FMS - G	51,693	-	51,693	8,075
PAS	308	-	308	(165)
WMS	5,741	-	5,741	1,123
TS	2,693	-	2,693	(2,165)
FMS - C	16,341	-	16,341	2,432
OTHERS	-	-	-	(82,342)
ASSOCIATE	-	-	-	3,925
TOTAL	76,776	-	76,776	(69,117)

FMS – G : Financial Management Solution – Government
 PAS : Payment Aggregation Solutions
 WMS : Wealth Management Solutions
 TS : Training Solutions
 FMS – C : Financial Management Solution – Commercial
 ASSOCIATE : Investment in Associates – Dagang Nexchange Berhad (“DNeX”)

12 months ended 31 March 2019 (Previous Financial Year)

Division	Revenue RM'000	Elimination RM'000	Consolidation RM'000	Profit/(Loss) Before Tax RM'000
FMS - G	37,451	(310)	37,141	6,419
PAS	378	-	378	30
WMS	3,853	-	3,853	(2,049)
TS	6,992	(237)	6,755	(1,343)
FMS - C	15,137	-	15,137	(956)
OTHERS	2,086	(2,086)	-	(7,211)
ASSOCIATE	-	-	-	4,334
TOTAL	65,897	(2,633)	63,264	(776)



CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2020

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

A10. SIGNIFICANT SUBSEQUENT EVENT

On 4th May 2020, the Company had entered into a Sale and Purchase of Shares Agreement ("SPSA") to fully dispose its entire 70% equity interest of 1.4 million Ordinary Shares in Knowledgecom Corporation Sdn Bhd ("KCOM") for a total sales consideration of RM1.5 million under the management buy-out arrangement ("MBO"). On the same date, all the indirect subsidiaries, Global Strategic Partners Sdn Bhd, Knowledgecom Pte Ltd and Beyond4 Sdn Bhd would ceased as indirect subsidiaries in Censof.

A11. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the current quarter ended 31 March 2020 except as follows:

Acquisition of Subsidiaries

On 2nd January 2020, the Company had entered into a Share Sales and Purchase Agreement ("SSPA") to acquire 108,000 Ordinary Shares and subscribe 300,000 new Ordinary Shares in Netsense Business Solutions Sdn Bhd ("NBSB") to make up to 51% of the issued and paid-up shares capital of NBSB. The total purchase consideration and share subscription value are RM408,000.

On the same date, the Company had entered into a SSPA to acquire 26,500 Ordinary Shares and subscribe 50,000 new Ordinary Shares in Netsense Business Solutions Pte Ltd ("NBPL") to make up to 51% of the issued and paid-up shares capital of NBPL. The total purchase consideration and share subscription value are SGD76,500 (equivalent to approximately RM237,150).

Both companies became 51% subsidiaries of the Company upon the completion of the Conditions Precedent stated in the SSPA at the same date.

Change of Investment in Associate to Other Investment

During the period from 11th March 2020 to 18th March 2020, the Company had disposed a cumulative of 114.51 million ordinary shares of Dagang Nexchange Berhad ("DNeX") upon forced selling action taken by MIDF to rectify the shortfall position of margin call and subsequently caused a reclassification of Investment in Associate to Other Investment due to the reduced equity interest to below 10%. Subsequently, the Company further disposed 43.49 million DNeX Shares on 19th March 2020 and resulted the equity stake remain at 7.23%. The total DNeX Shares Disposal raised total cumulative proceeds of RM12.60 million which was utilized to reduce the share margin loan by rectified the shortfall position of margin call by MIDF.

A12. CHANGES IN CONTINGENT LIABILITIES

As at 31 March 2020, the Group's contingent liabilities are as follows:-

- (a) Bank Guarantee
The subsidiary company has pledged a fixed deposit of RM0.4 million for a bank guarantee facility.
- (b) Corporate Guarantee
Corporate guarantees totaling RM8.6 million were issued to licensed banks for credit facilities granted to subsidiary companies.
- (c) Term Loans
 - (i) Kenanga Investment Bank Berhad loan outstanding is RM14.79 million, secured by way of 117,056,609 DNeX shares and a fixed deposit of RM0.3 million.
 - (ii) MIDF Amanah Investment Bank Berhad loan outstanding is RM6.51 million, secured by way of third-party shares.



CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2020

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

A13. CAPITAL COMMITMENTS

The Group does not have any material commitment for capital expenditure for the current quarter ended 31 March 2020.

A14. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Identity 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 Group carried out the following significant transaction with its related parties during the financial year under review:-

	3 Months Ended 31/03/2020 RM'000	12 Months Ended 31/03/2020 RM'000
Related Parties		
Office rental *	141	564
Key Management Personnel		
Directors		
- Fees	106	425
- Non-fee emoluments	417	1,671

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 *Tamil Selvan A/L M. Durairaj, Ameer Bin Shaik Mydin and Ang Hsin Hsien.*



CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2020

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 QUARTER

	INDIVIDUAL PERIOD				CUMULATIVE PERIOD			
	3 Months Ended 31/03/2020	3 Months Ended 31/03/2019	Changes		12 Months Ended 31/03/2020	12 Months Ended 31/03/2019	Changes	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	31,446	14,461	16,985	>100.0%	76,776	63,264	13,512	21.4%
Operating Loss	(71,588)	(858)	(70,730)	>100.0%	(69,923)	(1,603)	(68,320)	>100.0%
Loss Before Interest and Tax	(71,588)	(858)	(70,730)	>100.0%	(69,923)	(1,603)	(68,320)	>100.0%
Loss Before Tax	(72,077)	(2,708)	(69,369)	>100.0%	(69,117)	(776)	(68,341)	>100.0%
Loss After Tax	(72,178)	(2,586)	(69,592)	>100.0%	(69,922)	(909)	(69,013)	>100.0%
Net Loss Attributable to Ordinary Equity Holders of the Company	(72,282)	(1,737)	(70,545)	>100.0%	(70,746)	681	(71,427)	>100.0%

The Group registered revenue of RM31.45 million for the current quarter under review compared to the previous year's corresponding quarter revenue of RM14.46 million. The higher revenue for the current quarter as compared to the previous year's corresponding quarter was due to the new secured maintenance contracts by FMS-G segment.

The Group recorded a loss before taxation of RM69.12 million for the current financial year against the previous financial year of RM0.78 million. The negative contributing factors were as follows:

- (a) Loss on partial disposal of investment in associates at RM29.64 million upon forced selling action taken by MIDF to rectify the shortfall position of margin call;
- (b) Loss arising on re-measure of investment in associates to other investment at RM45.38 million; and
- (c) Impairment losses on goodwill in subsidiaries at RM3.24 million.



CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2020

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 (Continued)

	INDIVIDUAL PERIOD				CUMULATIVE PERIOD			
	3 Months Ended 31/03/2020	3 Months Ended 31/03/2019	Changes		12 Months Ended 31/03/2020	12 Months Ended 31/03/2019	Changes	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
REVENUE								
FMS - G	25,402	10,146	15,256	>100.0%	51,693	37,141	14,552	39.2%
PAS	53	79	(26)	-32.9%	308	378	(70)	-18.5%
WMS	1,526	377	1,149	>100.0%	5,741	3,853	1,888	49.0%
TS	100	39	61	>100.0%	2,693	6,755	(4,062)	-60.1%
FMS - C	4,365	4,065	300	7.4%	16,341	15,137	1,204	8.0%
OTHERS	-	(245)	245	100.0%	-	-	-	-
	<u>31,446</u>	<u>14,461</u>	<u>16,985</u>	<u>117.5%</u>	<u>76,776</u>	<u>63,264</u>	<u>13,512</u>	<u>21.4%</u>
PROFIT / (LOSS) BEFORE TAX								
FMS - G	5,794	3,211	2,583	80.4%	8,075	6,419	1,656	25.8%
PAS	(50)	(25)	(25)	100.0%	(165)	30	(195)	>-100.0%
WMS	472	(1,623)	2,095	>-100.0%	1,123	(2,049)	3,172	>100.0%
TS	(2,075)	(1,751)	(324)	18.5%	(2,165)	(1,343)	(822)	>100.0%
FMS - C	762	217	545	>100.0%	2,432	(956)	3,388	>100.0%
OTHERS	(77,316)	(1,619)	(75,697)	>100.0%	(82,342)	(7,211)	(75,131)	>100.0%
ASSOCIATE	336	(1,118)	1,454	>100.0%	3,925	4,334	(409)	-9.4%
	<u>(72,077)</u>	<u>(2,708)</u>	<u>(69,369)</u>	<u>>100.0%</u>	<u>(69,117)</u>	<u>(776)</u>	<u>(68,341)</u>	<u>>100.0%</u>



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B1. OPERATING SEGMENTS REVIEW (Continued)

For the current year to date, revenue increased by 21.4% to RM76.78 million, arising mainly from the higher contribution by FMS-G segment, due to the secured of new maintenance contract from Lembaga Hasil Dalam Negeri and Ministry of Finance.

However, the Group recorded significant loss before taxation of RM69.12 million as compared to the previous year's corresponding period. This was mainly attributed by the losses making upon disposal transactions of DNeX Shares and impairment losses on subsidiaries' goodwill.

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

	INDIVIDUAL PERIOD			
	3 Months Ended 31/03/2020	3 Months Ended 31/12/2019	Changes	
	RM'000	RM'000	RM'000	%
Revenue	31,446	16,683	14,763	88.5%
Operating (Loss) / Profit	(71,588)	1,269	(72,857)	>-100.0%
(Loss) / Profit Before Interest and Tax	(71,588)	1,269	(72,857)	>-100.0%
(Loss) / Profit Before Tax	(72,077)	567	(72,644)	>-100.0%
(Loss) / Profit After Tax	(72,178)	72	(72,250)	>-100.0%
Net Loss Attributable to Ordinary Equity Holders of the Company	(72,282)	(83)	(72,199)	>100.0%

In the current quarter, the Group posted a higher revenue of 88.5% over the preceding quarter. The Group's loss before tax of RM72.08 million, were mainly attributed by the losses making upon disposal transactions of DNeX Shares and impairment losses on subsidiaries' goodwill.



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B2. MATERIAL CHANGES IN CURRENT QUARTER'S RESULT AS COMPARED TO PRECEDING QUARTER (Continued)

	INDIVIDUAL PERIOD				INDIVIDUAL PERIOD			
	3 Months	3 Months	Changes		3 Months	3 Months	Changes	
	Ended	Ended			Ended	Ended		
	31/03/2020	31/12/2019	31/03/2020	31/12/2019				
RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%	
	REVENUE				PROFIT/(LOSS) BEFORE TAX			
FMS - G	25,402	10,126	15,276	>100.0%	5,794	1,020	4,774	>100.0%
PAS	53	114	(61)	-53.5%	(50)	(3)	(47)	>100.0%
WMS	1,526	1,219	307	25.2%	472	13	459	>100.0%
TS	100	1,342	(1,242)	-92.5%	(2,075)	633	(2,708)	>-100.0%
FMS - C	4,365	3,882	483	12.4%	762	492	270	54.9%
OTHERS	-	-	-	-	(77,316)	(1,638)	(75,678)	>100.0%
ASSOCIATE	-	-	-	-	336	50	286	>100.0%
	<u>31,446</u>	<u>16,683</u>	<u>14,763</u>	<u>88.5%</u>	<u>(72,077)</u>	<u>567</u>	<u>(72,644)</u>	<u>>-100.0%</u>

The Group recorded higher revenue of RM31.45 million for the current quarter as compared to RM16.68 million in the preceding quarter mainly due to the higher revenue recognition for the FMS-G segment.

The profit before taxation situation of RM0.57 million in preceding quarter had turn into loss before taxation of RM72.08 million in current quarter. The significant loss in the current quarter was mainly due to disposal losses of DNeX Shares upon forced selling actions taken by MIDF to rectify the shortfall position of margin call and impairment losses on subsidiaries' goodwill.



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B3. NEW FINANCIAL YEAR PROSPECTS

The overall domestic market sentiment on consumer spending remains weak and uncertain for private sector market. The Group plans to continue to focus on Government and Private sectors with the country's digitalization transformation agenda, using cloud based financial solutions.

The Board remain cautious and expects the financial year to remain challenging in view of global uncertainties and the continuous impact of Covid-19 pandemic.

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:

	3 Months Ended 31/03/2020 RM'000	12 Months Ended 31/03/2020 RM'000
Current tax	101	805

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.



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B8. PURCHASE AND/OR DISPOSAL OF QUOTED SECURITIES

There were no purchase or disposal of quoted securities by the Group during the current quarter under review except for the transaction disclosed in Note A11.

B9. GROUP BORROWINGS

The details of the Group borrowings are as follows:

	RM Denomination		
	Long Term RM'000	Short Term RM'000	Total RM'000
Secured			
<u>As at 31 March 2020</u>			
Hire purchase	219	137	356
Term loans	10,573	11,473	22,046
Bank overdrafts	-	3,578	3,578
	<u>10,792</u>	<u>15,188</u>	<u>25,980</u>
<u>As at 31 March 2019</u>			
Hire purchase	358	137	495
Term loans	15,650	21,055	36,705
Bank overdrafts	-	3,563	3,563
	<u>16,008</u>	<u>24,755</u>	<u>40,763</u>

The bank overdrafts and term loans are secured by pledging of shares by the Company's major shareholders, Saas Global Sdn Bhd, DNeX Shares and fixed deposits.

The Group had made repayment of RM14.66 million for term loans during the current quarter and the Group's gearing ratio was stood at 0.40 time as compared to 0.30 times at previous year's corresponding quarter.



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B10. STATUS OF CORPORATE PROPOSALS

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 years 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	7,500	7,500	3,450	3 December 2014
8 October 2019	50	50	23	9 October 2019
9 October 2019	750	750	345	10 October 2019

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

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 18 June 2020, 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.



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B15. (LOSS) / EARNINGS PER SHARE

Basic (loss) / earnings per share

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

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	3 Months Ended 31/03/2020	3 Months Ended 31/03/2019	12 Months Ended 31/03/2020	12 Months Ended 31/03/2019
Net (loss) / profit attributable to ordinary equity holders of the Company (RM'000)	(72,282)	(1,737)	(70,746)	681
Number of ordinary shares in issue ('000)	501,957	501,956	501,957	501,956
Basic (loss) / earnings per share (sen)	<u>(14.40)</u>	<u>(0.35)</u>	<u>(14.09)</u>	<u>0.14</u>

B16. NOTES TO THE CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

	3 Months Ended 31/03/2020 RM'000	12 Months Ended 31/03/2020 RM'000
Depreciation and amortisation	2,378	6,423
Finance costs	825	3,119
Impairment losses on goodwill	3,244	3,244
Impairment losses on trade receivables	221	221
Loss on disposal of investment in associates	29,640	29,640
Loss on disposal of quoted investment	870	870
Loss on arising from re-measurement of investment in associate	45,382	45,382
Fair value gain on quoted investment	(3,812)	(3,812)
Interest income	(29)	(210)
Reversal of impairment losses on trade receivables	<u>(1,979)</u>	<u>(1,979)</u>

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.

B17. AUTHORISATION FOR ISSUE

The interim financial statements were authorized for release by the Board of Directors as per the Board Meeting held on 25 June 2020.