



**ASIA FILE CORPORATION BHD. (313192-P)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2019**

	<b>As at end of Current Quarter 31/03/2019 (unaudited) RM'000</b>	<b>As at Preceding Financial Year End 31/03/2018  RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	101,465	104,470
Prepaid lease payments	1,406	1,445
Investment properties	1,305	1,346
Investment in an associate	162,201	148,901
Intangible assets	30,743	31,114
Deferred tax assets	-	7
Other Investment	5,803	-
	<u>302,923</u>	<u>287,283</u>
<b>Current Assets</b>		
Trade and other receivables	70,366	71,341
Derivative financial assets	-	12
Inventories	109,427	114,672
Current tax assets	1,411	796
Other Investments	18,679	84,558
Cash and cash equivalents	177,296	116,587
	<u>377,179</u>	<u>387,966</u>
<b>TOTAL ASSETS</b>	<u>680,102</u>	<u>675,249</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	202,331	202,331
Treasury shares	(2)	(2)
Reserves	396,591	383,185
	<u>598,920</u>	<u>585,514</u>
Non-controlling interests	557	500
<b>Total Equity</b>	<u>599,477</u>	<u>586,014</u>
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	10,272	10,351
	<u>10,272</u>	<u>10,351</u>
<b>Current Liabilities</b>		
Trade and other payables	34,350	37,974
Bank borrowings	27,553	30,118
Current tax liabilities	660	3,002
Dividend payable	7,790	7,790
	<u>70,353</u>	<u>78,884</u>
<b>Total Liabilities</b>	<u>80,625</u>	<u>89,235</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>680,102</u>	<u>675,249</u>
Net Assets Per Share ( sen ) (refer Note A17)	307.52	300.63

**The condensed financial statement should be read in conjunction with the most recent audited financial statements for the financial year 31 March 2018**



ASIA FILE CORPORATION BHD. ( 313192-P)  
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2019

	Individual Quarter			Cumulative Quarter		
	Current Quarter 31/03/2019 RM'000	Preceding year Corresponding Quarter 31/03/2018 RM'000	Changes %	Current Year to Date 31/03/2019 RM'000	Preceding year Corresponding Period 31/03/2018 RM'000	Changes %
Revenue	80,658	83,836	(3.79)	327,788	351,814	(6.83)
Operating Expenses	(71,434)	(70,938)	0.70	(293,169)	(296,765)	(1.21)
Other Operating Income	92	161	(42.86)	1,210	1,245	(2.81)
Profit from Operations	9,316	13,059	(28.66)	35,829	56,294	(36.35)
Finance cost	(249)	(171)	45.61	(945)	(586)	61.26
Investing Results	3,490	(1,715)	(303.50)	3,699	3,824	(3.27)
Shares of profit of an associate	2,557	3,235	(20.96)	15,984	11,837	35.03
Profit before tax	15,114	14,408	4.90	54,567	71,369	(23.54)
Taxation	(1,745)	(3,254)	(46.37)	(6,731)	(12,072)	(44.24)
Profit for the period	13,369	11,154	19.86	47,836	59,297	(19.33)
<b>Other comprehensive income/(expense), net of tax</b>						
<b>Items that may be reclassified subsequently to profit or loss</b>						
Foreign currency translation differences for foreign operations	(2,319)	(2,148)		(4,612)	(429)	
	(2,319)	(2,148)		(4,612)	(429)	
<b>Items that will not be reclassified subsequently to profit or loss</b>						
Share of other comprehensive income / (expenses) of equity-accounted associate	(102)	(510)		60	(1,850)	
<b>Other comprehensive income/(expense) for the period, net of tax</b>	(2,421)	(2,658)		(4,552)	(2,279)	
<b>Total comprehensive income for the period</b>	10,948	8,496		43,284	57,018	

The condensed financial statement should be read in conjunction with the most recent audited financial statements for the financial year ended 31 March 2018.



ASIA FILE CORPORATION BHD. (313192-P)  
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)  
FOR THE YEAR ENDED 31 MARCH 2019

	Individual Quarter			Cumulative Quarter		
	Current Quarter 31/03/2019 RM'000	Preceding year Corresponding Quarter 31/03/2018 RM'000	Changes %	Current Year to Date 31/03/2019 RM'000	Preceding year Corresponding Period 31/03/2018 RM'000	Changes %
<b>Profit attributable to:</b>						
Equity holders of the Company	13,367	11,140	19.99	47,765	59,148	(19.24)
Non-controlling interests	2	14	(85.71)	71	149	(52.35)
<b>Profit for the period</b>	<u>13,369</u>	<u>11,154</u>	19.86	<u>47,836</u>	<u>59,297</u>	(19.33)
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Company	10,934	8,487	28.83	43,227	56,883	(24.01)
Non-controlling interests	14	9	55.56	57	135	(57.78)
<b>Total comprehensive income for the period</b>	<u>10,948</u>	<u>8,496</u>	28.86	<u>43,284</u>	<u>57,018</u>	(24.09)
<b>Earnings per share attributable to equity holders of the Company:</b>	6.86	5.72		24.53	30.37	

The condensed financial statement should be read in conjunction with the most recent audited financial statements for the financial year ended 31 March 2018.



**ASIA FILE CORPORATION BHD. ( 313192-P)**  
(Incorporated in Malaysia)  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	← Attributable to owners of the Company →				Distributable Retained Earnings RM'000	Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Share Option Reserve RM'000	Translation Reserve RM'000				
<b>Year ended 31 March 2019</b>								
At 1 April 2018,	202,331	(2)	-	13,799	369,386	585,514	500	586,014
Profit for the period	-	-	-	-	47,765	47,765	71	47,836
Other comprehensive income/(loss) for the period	-	-	-	(4,538)	-	(4,538)	(14)	(4,552)
<b>Total comprehensive income/(loss) for the period</b>	-	-	-	(4,538)	47,765	43,227	57	43,284
Effect of adopting MFRS 9 by Associate	-	-	-	-	(607)	(607)	-	(607)
Dividend	-	-	-	-	(29,214)	(29,214)	-	(29,214)
<b>At 31 March 2019</b>	<b>202,331</b>	<b>(2)</b>	<b>-</b>	<b>9,261</b>	<b>387,330</b>	<b>598,920</b>	<b>557</b>	<b>599,477</b>
<b>Year ended 31 March 2018</b>								
At 1 April 2017,	199,334	(2)	862	16,064	341,285	557,543	365	557,908
Profit for the period	-	-	-	-	59,148	59,148	149	59,297
Other comprehensive income/(loss) for the period	-	-	-	(2,265)	-	(2,265)	(14)	(2,279)
<b>Total comprehensive income/(loss) for the period</b>	-	-	-	(2,265)	59,148	56,883	135	57,018
Treasury shares acquired	-	-	-	-	-	-	-	-
Issue of shares pursuant to ESOS	2,249	-	-	-	-	2,249	-	2,249
Dividend	-	-	-	-	(31,161)	(31,161)	-	(31,161)
Transfer from share option reserve for option exercised	748	-	(748)	-	-	-	-	-
Transfer from share option reserve for option lapsed	-	-	(114)	-	114	-	-	-
<b>At 31 March 2018</b>	<b>202,331</b>	<b>(2)</b>	<b>-</b>	<b>13,799</b>	<b>369,386</b>	<b>585,514</b>	<b>500</b>	<b>586,014</b>



**ASIA FILE CORPORATION BHD. (313192-P)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	<b>31-Mar-19</b>	<b>31-Mar-18</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit before tax	54,567	71,369
Adjustment for:		
Non-cash items	(7,020)	(2,347)
Non-operating items	(6,860)	(5,445)
Operating profit before changes in working capital	40,687	63,577
Changes in working capital		
Net Change in current assets	2,876	(12,018)
Net Change in current liabilities	(11,895)	(16,499)
Net cash from operating activities	31,668	35,060
Investing activities		
Equity Investments	2,138	1,833
Other investments	60,656	34,964
Net cash from investing activities	62,794	36,797
Financing activities		
Dividend paid	(29,214)	(31,161)
Proceed from issue of shares	-	2,249
Bank borrowings, net	(2,450)	1,715
Interest paid	(945)	(586)
Net cash used in financing activities	(32,609)	(27,783)
Net Change in Cash & Cash Equivalents	61,853	44,074
Cash & Cash Equivalents at beginning of year	116,587	72,438
Effects of exchange rates on Cash & Cash Equivalents	(1,144)	75
Cash & Cash Equivalent at end of year	177,296	116,587

**Note**

Cash and cash equivalents

Cash and cash equivalents included in the condensed consolidated cash flow statements comprise the following condensed consolidated balance sheets amounts:

Cash and bank balances	177,296	116,587
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**ASIA FILE CORPORATION BHD. (313192-P)**  
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**NOTES TO THE INTERIM FINANCIAL REPORT FOR YEAR ENDED 31 MARCH 2019**

**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT - MFRS 134**

**A1 Basis of preparation**

This condensed consolidated interim financial statements ("Condensed Report") has been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Condensed Reports also complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board (IASB).

The Condensed Report should be read in conjunction with the audited financial statements for the year ended 31 March 2018. The explanatory notes attached to these Condensed 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 year ended 31 March 2018.

**A2 Significant Accounting Policies**

At the date of authorisation of these Condensed Report, the following MFRSs, Amendment to MFRSs and IC Interpretation have been issued but are not yet effective and have not been adopted by the Group.

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

*MFRS 16, Leases*

*IC Interpretation 23, Uncertainty Over Income Tax Treatments*

*Amendments to MFRS 3, Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)*

*Amendments to MFRS 9, Financial Instruments - Prepayment Features with Negative Compensation*

*Amendments to MFRS 11, Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)*

*Amendments to MFRS 112, Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)*

*Amendments to MFRS 119, Employee Benefits - Plan Amendment, Curtailment or settlement*

*Amendments to MFRS 123, Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)*

*Amendments to MFRS 128, Investment in Associates and Joint Ventures - Long Term Interests in Associates and Joint Ventures*

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2020**

*Amendments to MFRS 2, Share-based Payment*

*Amendments to MFRS 3, Business Combinations*

*Amendments to MFRS 14, Regulatory Deferral Accounts*

*Amendments to MFRS 101, Presentation of Financial Statements*

*Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors*

*Amendments to MFRS 134, Interim Financial Reporting*

*Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets*

*Amendments to MFRS 138, Intangible Assets*

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021**

*MFRS 17, Insurance Contracts*

**A3 Audit report of preceding annual financial statements**

The audit report of the Group's annual financial statements for the year ended 31 March 2018 was not subject to any qualification.

**A4 Seasonal or cyclical factors**

The operation of the Group is not subject to any major effects of seasonality or cyclicity.

**A5 Unusual items due to their Nature, Size or Incidence**

There were no unusual items that have a material effect on the assets, liabilities, equity, net income or cash flow reported in the interim financial report.

**A6 Material changes in accounting estimates**

There were no material changes in accounting estimates of amounts reported in prior financial years.

**A7 Issuance or repayment of debts and equity securities**

No ordinary shares of Asia File Corporation Bhd was issued or purchased and retained as treasury shares pursuant to the Shares Buy Back Scheme during the financial year. A total of 500 shares were retained as treasury shares as at 31 March 2019.

There was no shares purchased and retained as treasury shares subsequent to the financial year ended 31 March 2019.



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**NOTES TO THE INTERIM FINANCIAL REPORT FOR YEAR ENDED 31 MARCH 2019**

**A8 Dividends Paid**

A second interim single-tier dividend of RM0.04 per share on 194,759,060 ordinary shares of RM1 each totalling RM 7,790,362.40 for the financial year ended 31 March 2018 was paid on 24 May 2018.

A final single tier dividend of RM0.08 per share on 194,759,060 ordinary shares of RM1 each totalling RM 15,580,724.80 for the financial year ended 31 March 2018 was paid on 1 November 2018.

An interim single-tier dividend of RM0.03 per share on 194,759,060 ordinary shares of RM1 each totalling RM 5,842,771.80 for the financial year ending 31 March 2019 was paid on 14 Feb 2019.

An second interim single-tier dividend of RM0.04 per share on 194,759,060 ordinary shares of RM1 each totalling RM 7,790,362.40 for the financial year ending 31 March 2019 was paid on 16 May 2019.

**A9 Segment information**

**Business segment**

The Group is principally involved in the manufacture and trading of stationery and paper products. Business segmental information has therefore not been prepared as the Group's revenue, operating profit, assets employed, liabilities, capital expenditure, depreciation and amortization as well as non-cash expenses are mainly confined to one business segment.

**A10 Valuations of property, plant and equipment**

The valuations of land and buildings have been brought forward without amendment from the previous annual report.

**A11 Material events subsequent to the end of the quarter**

There were no material events subsequent to the end of the quarter.

**A12 Changes in composition of the Group**

There were no changes in the composition of the Group for the quarter.

**A13 Changes in contingent liabilities/assets**

The total contingent liabilities as at 31 March 2019 for the Company are corporate guarantees for banking facilities granted to subsidiaries of RM 140.92 million (31 March 2018: RM 118.54 million). There was also a corporate guarantee of RM 10.68 million provided to a supplier of a subsidiary in UK.

**A14 Capital commitments approved and contracted for**

	<b>31-Mar-2019</b>
	<b>RM'000</b>
Machinery & equipment	1,879
Office Equipment	180
	2,059

**A15 Lease commitments**

The Group's subsidiaries have entered into the following lease commitment:-

	<b>31-Mar-2019</b>
	<b>RM'000</b>
Less than one year	1,408
One to five years	117

**A16 Intangible assets**

	<b>31-Mar-2019</b>	<b>31-Mar-2018</b>
	<b>RM'000</b>	<b>RM'000</b>
Goodwill	30,235	30,235
Other intangible assets with finite life *	508	879
	30,743	31,114

\* This was in relation to securing of manufacturing contract from customer. Amortisation will be charged to profit or loss over the contract period.

**A17 Net assets per share (sen)**

	<b>31-Mar-2019</b>	<b>31-Mar-2018</b>
Shareholders' Fund (RM'000)	598,920	585,514
Share Capital (Unit 000)	194,760	194,760
Net assets per share (sen)	307.52	300.63



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**NOTES TO THE INTERIM FINANCIAL REPORT FOR YEAR ENDED 31 MARCH 2019**

**B Additional information required by the Bursa Malaysia Securities Berhad's Listing Requirements**

**B1 Review of performance**

**Current Quarter**

During the quarter, a total revenue of RM 80.7 million was recorded as compared to RM 83.8 million achieved in the corresponding quarter last year. Despite the drop in turnover by 3.8%, pre tax profit increased from RM 14.4 million to RM 15.1 million.

Raw material costs has generally gone up when compared to prices available one year ago. Coupled with the weakening of local currency against USD which was used in overseas procurement, this has resulted in cost increase across major categories of materials. This has impacted the operating margin for the Group. During the quarter, share of profit of an associate dropped from RM 3.2 million to RM 2.6 million.

The Group's continued effort to reduce cost has resulted in overall improvement in expenses. Improvement in production efficiency has helped to alleviate the negative impact from the 10% increase in minimum wages which came into effect on 1 January 2019. In addition, there was reduction in utility costs incurred at its Penang plants upon successful installation of the solar panels.

The significant improvement in investing result which recorded a total gain of RM 3.5 million has resulted in an overall improvement in the quarterly performance.

**Year To Date**

Based on a weaker revenue of RM 327.8 million as opposed to RM 351.8 million achieved a year ago, pre tax profit for the year dropped from RM 71.4 million to RM 54.6 million.

During the year, a total foreign exchange loss of RM 2.8 million was recorded as opposed to RM 1.8 million in foreign exchange gain achieved last year.

Share of profits of associate has improved from RM 11.8 million to RM 16.0 million during the year.

**B2 Comparison of profit before taxation with preceding quarter**

	<b>Current Quarter</b>	<b>Preceding Quarter</b>	<b>Changes</b>
	<b>31-Mar-2019</b>	<b>31-Dec-2018</b>	<b>%</b>
	<b>RM'000</b>	<b>RM'000</b>	
Revenue	80,658	79,488	1.47
Profit Before Tax	15,114	9,043	67.13

Pre tax profit has improved significantly when compared to the figure achieved in the preceding quarter despite a lower share of profit of associate during the quarter which dropped to RM 2.6 million from RM 5.9 million recorded in the preceding year. The performance in the preceding quarter has been adversely affected by the operation downtime experienced at one of its plants which has been rectified subsequently.

**B3 Current year prospects**

The Group has initiated various business plans to diversify and expand its product range within and beyond the filing industry. Despite the challenging environment experienced by the filing industry, the Group is confident that its operation for the next financial year will remain profitable.

**B4 Profit forecast or profit guarantee**

No profit forecast or profit guarantee was published by the Group.

**B5 Tax expense**

	<b>Year to date</b>	
	<b>31-Mar</b>	
	<b>2019</b>	<b>2018</b>
	<b>RM'000</b>	<b>RM'000</b>
Current year tax expense		
- Current year	9,030	11,846
- Over provision in respect of prior year	(2,376)	(520)
	6,654	11,326
Deferred tax expense		
- Current year	77	746
	6,731	12,072

**B6 Sale of unquoted investments and properties**

There were no sales of unquoted investments for the current quarter and financial year to date.

**B7 Status of corporate proposal announced**

No corporate proposal was announced by the Group.





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**NOTES TO THE INTERIM FINANCIAL REPORT FOR YEAR ENDED 31 MARCH 2019**

**B8 Group borrowings and debt securities**

Group borrowings denominated in foreign currency:

	As at 31-Mar-19		As at 31-Mar-18	
	USD'000	RM'000	USD'000	RM'000
Unsecured Current Borrowing	6,753	27,553	7,803	30,118

**B9 Other Investments**

	As at	As at
	31-Mar-19	31-Mar-18
	RM'000	RM'000
<b>Non Current Assets</b>		
Investment in quoted shares	5,803	-
	5,803	-
<b>Current Assets</b>		
Available-for-sale financial assets:		
Short term funds	8,736	2
Fair value through profit or loss:		
Investment in dual currency structured products	-	52,332
Equity-Linked Investment	9,943	32,224
	18,679	84,558

**B10 Changes in material litigation**

There was no material litigation involving the Group as at to date.

**B11 Dividends Proposed**

The Board of Directors have recommended a final single tier dividend of 7% (2018: 8%) subject to approval from the shareholders. The payment date for the recommended final dividend shall be determined by the Directors and to be announced at a later date.

**B12 Earnings per share**

	Current	Current
	Quarter Ended	Year To Date
	31-Mar-2019	31-Mar-2019
Profit attributable to equity holders of the Company (RM'000)	13,367	47,765
Weighted average number of ordinary shares (Unit 000)	194,760	194,760
Earnings per share (sen)	6.86	24.53

**B13 Fair value of financial instruments**

The carrying amounts of cash and cash equivalents, short term receivables and payables and short term borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

The table below analyses financial instruments carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, Unobservable inputs) (Level 3).

The table below presents the financial instruments of the Group, which are measured at fair value, classified by level of the fair value hierarchy.

	Fair value hierarchy			Carrying amount
	Level 1	Level 2	Level 3	
	RM'000	RM'000	RM'000	RM'000
<b>31 March 2019</b>				
<b>Financial assets</b>				
Available-for-sale financial assets	-	8,736	-	8,736
Financial assets at fair value through profit or loss	-	9,943	-	9,943
Investment in quoted shares	5,803	-	-	5,803
	5,803	18,679	-	24,482



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NOTES TO THE INTERIM FINANCIAL REPORT FOR YEAR ENDED 31 MARCH 2019

**B13 Fair value of financial instruments (con't)**

	Fair value hierarchy			Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<b>31 March 2018</b>				
<b><u>Financial assets</u></b>				
Available-for-sale financial assets	-	2	-	2
Financial assets at fair value through profit or loss	-	84,556	-	84,556
	-	84,558	-	84,558

**B14 Notes to the Condensed Consolidated Statement of Comprehensive Income**

Profit before tax is arrived at after (charging) / crediting the following items:

	Current Quarter Ended 31-Mar-19 RM'000	Current Year To Date 31-Mar-19 RM'000
a) interest income	1,787	7,622
b) other expenses including investment income	1,797	(2,712)
c) interest expense	(249)	(945)
d) depreciation and amortisation	(2,311)	(9,067)
e) Provision for and write off trade receivables	(3)	(40)
f) foreign exchange loss	1,499	(2,841)

**B15** The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors.

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