



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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	31.12.23	31.03.23
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	109,065	110,352
Right-of-use assets	4,875	6,379
Investment properties	3,748	3,813
Intangible assets	30,234	30,234
Investment in an associate	214,500	217,847
Other investments	30,739	25,048
Deferred tax assets	-	400
	393,161	394,073
Current Assets		
Inventories	91,849	97,646
Trade and other receivables	48,437	60,918
Other investments	4	1,013
Current tax assets	9	7
Cash and bank balances	304,173	248,062
	444,472	407,646
TOTAL ASSETS	837,633	801,719
EQUITY AND LIABILITIES		
Share capital	203,486	202,434
Treasury shares	(1,214)	(2)
Reserves	585,328	545,707
Equity attributable to equity holders of the parent	787,600	748,139
Non-controlling interests	704	543
Total Equity	788,304	748,682
Non-Current Liabilities		
Lease liabilities	628	1,824
Deferred tax liabilities	15,356	16,091
	15,984	17,915
Current Liabilities		
Lease liabilities	1,308	1,290
Trade and other payables	25,051	29,782
Current tax liabilities	6,986	4,050
	33,345	35,122
Total Liabilities	49,329	53,037
TOTAL EQUITY AND LIABILITIES	837,633	801,719
Net assets per share (sen)	(Refer Note A16) 404.62	384.03

The condensed financial statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2023.



ASIA FILE CORPORATION BHD. (313192-P)
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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED 31 DECEMBER 2023**

	3 Months Ended		9 Months Ended	
	31.12.23 RM'000	31.12.22 RM'000	31.12.23 RM'000	31.12.22 RM'000
Revenue	67,505	74,598	222,190	239,308
Operating expenses	(57,901)	(63,441)	(186,679)	(207,185)
Other operating income	246	209	710	707
Profit from operations	9,850	11,366	36,221	32,830
Finance cost	(22)	(21)	(101)	(192)
Investing results	3,647	1,651	9,835	2,628
Share of profit/(loss) of an associate	1,681	(3,630)	(1,567)	(4,723)
Profit before tax	15,156	9,366	44,388	30,543
Taxation	(1,355)	(2,938)	(7,642)	(8,186)
Profit for the period	13,801	6,428	36,746	22,357
Other comprehensive income/(expense), net of tax				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	3,131	3,303	8,104	(1,832)
Items that will not be reclassified subsequently to profit or loss				
Share of other comprehensive income of equity-accounted associate	374	(49)	1,111	(537)
Other comprehensive income/(expense) for the period, net of tax	3,505	3,254	9,215	(2,369)
Total comprehensive income for the period	17,306	9,682	45,961	19,988



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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED 31 DECEMBER 2023

	3 Months Ended		9 Months Ended	
	31.12.23	31.12.22	31.12.23	31.12.22
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) attributable to:				
Equity holders of the Company	13,781	6,400	36,635	22,277
Non-controlling interests	20	28	111	80
Profit for the period	13,801	6,428	36,746	22,357
Total comprehensive income attributable to:				
Equity holders of the Company	17,269	9,638	45,800	19,931
Non-controlling interests	37	44	161	57
Total comprehensive income for the period	17,306	9,682	45,961	19,988
Earnings per share attributable to owners of the Company (sen)				
- Basic	7.09	3.29	18.84	11.44
- Diluted	7.01	3.26	18.68	11.34

The condensed financial statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2023.



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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE NINE MONTHS PERIOD ENDED 31 DECEMBER 2023

	← Attributable to owners of the Company →					Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	option reserve RM'000	Translation Reserve RM'000	Retained Earnings RM'000			
Period ended 31 December 2023								
At 1 April 2023	202,434	(2)	1,792	18,475	525,440	748,139	543	748,682
Profit for the period	-	-	-	-	36,635	36,635	111	36,746
Other comprehensive income for the period	-	-	-	9,165	-	9,165	50	9,215
Total comprehensive income for the period	-	-	-	9,165	36,635	45,800	161	45,961
Dividends paid	-	-	-	-	(6,808)	(6,808)	-	(6,808)
Treasury shares acquired	-	(1,212)	-	-	-	(1,212)	-	(1,212)
Issuance of ordinary shares pursuant to ESOS	1,052	-	(203)	-	-	849	-	849
Share options vested under ESOS	-	-	832	-	-	832	-	832
Transfer of share option reserve to retained earnings upon lapse of ESOS	-	-	(118)	-	118	-	-	-
Total transactions with owners	1,052	(1,212)	511	-	(6,690)	(6,339)	-	(6,339)
At 31 December 2023	203,486	(1,214)	2,303	27,640	555,385	787,600	704	788,304

The condensed financial statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2023.



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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE NINE MONTHS PERIOD ENDED 31 DECEMBER 2023

	←——— Attributable to owners of the Company ———→						Non-Controlling Interests	Total Equity
	←——— Non-distributable Share			———→ Distributable				
	Share Capital RM'000	Treasury Shares RM'000	option reserve RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	RM'000	RM'000
Year ended 31 March 2023								
At 1 April 2022	202,331	(2)	-	16,603	497,660	716,592	468	717,060
Profit for the year	-	-	-	-	31,633	31,633	79	31,712
Other comprehensive income/(expense) for the year	-	-	-	1,872	-	1,872	(4)	1,868
Total comprehensive income for the year	-	-	-	1,872	31,633	33,505	75	33,580
Dividends paid	-	-	-	-	(3,896)	(3,896)	-	(3,896)
Issuance of ordinary shares pursuant to ESOS	103	-	(20)	-	-	83	-	83
Share options vested under ESOS	-	-	1,855	-	-	1,855	-	1,855
Transfer of share option reserve to retained earnings upon lapse of ESOS	-	-	(43)	-	43	-	-	-
Total transactions with owners	103	-	1,792	-	(3,853)	(1,958)	-	(1,958)
At 31 March 2023	202,434	(2)	1,792	18,475	525,440	748,139	543	748,682

The condensed financial statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2023.



ASIA FILE CORPORATION BHD. (313192-P)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTHS PERIOD ENDED 31 DECEMBER 2023

	31.12.23	31.12.22
	RM'000	RM'000
Profit before tax	44,388	30,543
Adjustments for:		
Non-cash items	9,087	12,007
Non-operating items	(9,748)	(2,503)
Operating profit before changes in working capital	43,727	40,047
Changes in working capital		
Net change in current assets	23,862	17,356
Net change in current liabilities	(13,191)	(17,656)
	10,671	(300)
Net cash from operating activities	54,398	39,747
Investing activities		
Equity investments	2,891	3,613
Other investments	1,377	65,111
Net cash from investing activities	4,268	68,724
Financing activities		
Dividend paid	(6,808)	(3,896)
Bank borrowings, net	-	(2,366)
Interest paid	-	(77)
Repurchase of treasury shares	(1,212)	-
Repayment of lease liabilities	(1,489)	(1,449)
Proceeds from issuance of ordinary shares	848	83
Net cash used in financing activities	(8,661)	(7,705)
Net change in cash & cash equivalents	50,005	100,766
Cash & cash equivalents at beginning of period	248,062	133,582
Effects of exchange rates changes	6,106	2,010
Cash & cash equivalents at end of period	304,173	236,358

Note

Cash and cash equivalents

Cash and cash equivalents included in the condensed consolidated cash flow statements comprise the following condensed consolidated balance sheet amount:

	31.12.23	31.12.22
	RM'000	RM'000
Cash and bank balances	304,173	236,358

The condensed financial statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2023.



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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE NINE MONTHS PERIOD ENDED 31 DECEMBER 2023

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.

The Condensed Report should be read in conjunction with the audited financial statements for the year ended 31 March 2023 and the accompanying explanatory notes are an integral part of this Condensed Report.

A2 Significant Accounting Policies

The accounting policies adopted by the Group in this Condensed Report are consistent with those adopted in the audited financial statements for the year ended 31 March 2023, except for the adoption of new MFRSs, Amendments to MFRSs and IC Interpretations that are effective for annual periods beginning on or after 1 January 2023, as disclosed below:

Title	Effective Date
MFRS 17, <i>Insurance Contracts</i>	1 Jan 2023
Amendments to MFRS 17, <i>Insurance Contracts</i>	1 Jan 2023
Amendments to MFRS 17, <i>Initial Application of MFRS 17 and MFRS9 – Comparative Information</i>	1 Jan 2023
Amendments to MFRS 101, <i>Presentation of Financial Statements: Disclosure of Accounting Policies</i>	1 Jan 2023
Amendments to MFRS 108, <i>Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates</i>	1 Jan 2023
Amendments to MFRS 112, <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 Jan 2023

The adoption of the above pronouncements does not have any significant impact to the Group.

The following are Standards of the MFRS Framework that have been issued by the MASB but have not been early adopted by the Group:

Title	Effective Date
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 Jan 2024
Amendments to MFRS 101, <i>Presentation of Financial Statements: Classification of Liabilities as Current or Non-current</i>	1 Jan 2024
Amendments to MFRS 101, <i>Presentation of Financial Statements: Non-current Liabilities with Covenants</i>	1 Jan 2024
Amendments to MFRS 107 and MFRS 7: <i>Supplier Finance Arrangements</i>	1 Jan 2024
Amendments to MFRS 121, <i>The Effects of Changes in Foreign Exchange Rules – Lack of Exchangeability</i>	1 Jan 2025
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred



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A3 Audit Report

There was no qualification on the audited financial statements of the Group for the financial year ended 31 March 2023.

A4 Seasonal or Cyclical Factors

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

A5 Material Unusual Items

There were no unusual items that have a material effect on the assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial year under review.

A6 Material Changes in Accounting Estimates

There were no changes in accounting estimates that have a material effect in the current quarter and financial year under review.

A7 Debt and Equity Securities

151,400 and 545,400 ordinary shares were issued pursuant to the Employees' Share Option Scheme ("ESOS") during the financial quarter and financial year to date. Subsequent to the financial quarter ended 31 December 2023, no ordinary shares were issued pursuant to the Employee Share Option Scheme.

A total of 707,500 shares was retained as treasury shares as at 31 December 2023.

There was no shares purchased and retained as treasury shares subsequent to the financial quarter ended 31 December 2023.

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities other than disclosed above.

A8 Dividends Paid

A single-tier final dividend of RM0.035 per ordinary share amounting to RM6,807,495 for the financial year ended 31 March 2023 was paid on 26 October 2023.

A single-tier first interim dividend of RM0.035 per ordinary share amounting to RM6,812,794 for the financial year ended 31 March 2024 was paid on 7 February 2024.

A9 Segmental Reporting

The Group's business segments comprise the followings:

- Filing Products : Manufacturing and trading of stationery products, paper and plastic based related products.
- Consumer & Food Ware Products : Manufacturing and trading of consumer and food ware products.
- Others : Investment holding and commission agent.



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A9 Segmental Reporting (continued)

9 Months ended 31.12.2023

	Filing Products RM'000	Consumer & Food Ware Products RM'000	Others RM'000	Total RM'000
Revenue from external customers	188,980	33,148	62	222,190
Operating profit	31,375	4,582	264	36,221

Reconciliation of reportable segment profit:

Operating profit for reportable segments	35,957
Operating profit for non-reportable segment	264
Finance cost	(101)
Investing results	9,835
Share of loss of an associate	(1,567)
Consolidated profit before taxation	44,388

9 Months ended 31.12.2022

	Filing Products RM'000	Consumer & Food Ware Products RM'000	Others RM'000	Total RM'000
Revenue from external customers	201,301	37,946	61	239,308
Operating profit	27,525	5,566	(261)	32,830

Reconciliation of reportable segment profit:

Operating profit for reportable segments	33,091
Operating profit for non-reportable segment	(261)
Finance cost	(192)
Investing results	2,628
Share of loss of an associate	(4,723)
Consolidated profit before taxation	30,543

A10 Valuations of Property, Plant and Equipment

The valuations of land and buildings have been brought forward without amendment from the previous audited financial statements.

A11 Material Events Subsequent to the end of the Quarter

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



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A12 Changes in Composition of the Group

There were no changes in the composition of the Group for the quarter and financial year under review other than the following:

During the financial year, Asia File Products Sdn Bhd which is the wholly-owned subsidiary of the Group, has incorporated a subsidiary, Plastoreg Eastlight Limited in the United Kingdom. Its intended principal activity is to manufacture and sale of stationery products and other consumer wares.

A13 Contingent Liabilities and Contingent Assets

(i) The Company has given corporate guarantees to certain financial institutions for banking facilities granted to its subsidiaries for a limit of RM153.06mil (31 March 2023: RM150.54mil).

(ii) The Company has also given corporate guarantee of RM11.70mil (31 March 2023: RM10.92mil) to a supplier of its subsidiary, Higher Kings Mill Limited of which RM0.98mil (31 March 2023: RM0.88mil) was utilised at the end of the quarter.

A14 Capital Commitments

Save as disclosed below, the Group does not have any material capital commitments.

	31.12.23
	RM'000
Approved and contracted for:	
Machinery and Equipment	<u>1,398</u>

A15 Intangible Assets

	31.12.23	31.03.23
	RM'000	RM'000
Goodwill	<u>30,234</u>	<u>30,234</u>

A16 Net Assets per Share (sen)

	31.12.23	31.03.23
Shareholders' Fund (RM '000)	787,600	748,139
Share Capital (Unit '000)	194,651	194,813
Net Assets per Share (sen)	<u>404.62</u>	<u>384.03</u>



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B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1 Review of Performance

Current Quarter

For the quarter under review, the Group recorded a total revenue of RM67.51 million as compared to RM74.60 million achieved one year ago. Sales from filing division contracted by 12% while revenue from the Consumer and Food ware division registered a modest increase of 4% when compared with the corresponding period last year. Despite a lower turnover which have had an adverse impact on absorption of fixed cost, the operating margin for the quarter was holding steady at 14.6% (2022: 15.2%). The Group is able to strengthen its operating margin by expanding the penetration of its products on the various channels of online marketing.

After taking into consideration the investing results of RM3.65 million and also share of profit from associate of RM1.68 million, the Group's pre tax profit for the quarter stands at RM15.16 million (2022: RM9.37 million)

Year To Date

For the cumulative nine months period, total revenue achieved by the Group was RM222.19 million as compared to RM239.31 million achieved one year ago. The lower revenue was attributed by the general weaker consumer sentiment which resulted in an overall softer demand for consumer products.

Despite a lower revenue, profit before tax for the period increased by 45.4% to RM44.39 million from RM30.54 million achieved one year ago. The vast improvement in the bottom line was due to favorable exchange factor and also increased operation efficiency.

B2 Comparison with Preceding Quarter

	31.12.23	30.09.23
	RM'000	RM'000
Revenue	67,505	79,036
Operating Profit	9,850	8,316
Profit Before Tax	15,156	11,080

Despite a lower turnover, profit before tax for the quarter improved from RM11.08 million to RM15.16 million as a result of a more favorable exchange factor during the quarter and also a share of profit as opposed to share of loss of an associate.

B3 Current Year Prospects

The slower than expected China's economic recovery amid its property woes, weakening domestic consumption and slumping exports will have negative effects on the overall business sentiment.

The Group will no doubt face with a slew of headwinds as we operate in a highly competitive environment. However, we are confident that growth prospect will remain encouraging as we embark and intensify our sales penetration on the various digital platforms. The Group will remain focus on improving productivity and efficiency to protect its operating margin. It will leverage on its strong financial position to continuously scouting for opportunities to expand and strengthen its business operation. Based on the current financial performance achieved to date, the Group is confident that its operating result for the financial year ending 31 March 2024 will remain positive.



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B4 Profit Forecast or Profit Guarantee

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

B5 Tax Expense

	9 Months Ended	
	31.12.23	31.12.22
	RM'000	RM'000
Current Tax Expense		
- Current Year	8,347	7,457
- Prior Year	(182)	(434)
	8,165	7,023
Withholding Tax Expense	267	-
Deferred Tax Expense		
- Current Year	(790)	1,163
	7,642	8,186

B6 Sale of Unquoted Investments and Properties

There were no sales of unquoted investments and properties for the current quarter and financial year under review.

B7 Status of Corporate Proposal Announced

As at 22 February 2024, being the latest practicable date, which is not earlier than 7 days from the date of issue of this quarterly report, there were no corporate proposals announced and pending completion.

B8 Other Investments

	31.12.23	31.03.23
	RM'000	RM'000
Non-Current Assets		
Fair Value through Profit or Loss:		
Investment in bond fund	25,152	25,048
Investment in dual currency structured product	5,587	-
	30,739	25,048
Current Assets		
Fair Value through Profit or Loss:		
Short-term funds	4	1,013

B9 Changes in Material Litigation

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

B10 Dividends Proposed

The Board of Directors of Asia file is pleased to declare a single-tier second interim dividend of 3.5 sen per ordinary share for the financial year ending 31 March 2024. The dividend will be paid on 23 May 2024 to shareholders register in the Records of Depositors as at 2 May 2024.



ASIA FILE CORPORATION BHD. (313192-P)
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B11 Earnings per Share

	3 months ended 31.12.23	9 Months Ended 31.12.23
Basic earnings per share		
Profit Attributable to Equity Holders of the Company (RM'000)	13,781	36,635
Weighted Average Number of Ordinary Shares (Unit '000)	194,403	194,426
Earnings per Share (sen)	7.09	18.84
	3 months ended 31.12.23	9 Months Ended 31.12.23
Diluted earnings per share		
Profit Attributable to Equity Holders of the Company (RM'000)	13,781	36,635
Weighted Average Number of Ordinary Shares (Unit '000)	194,403	194,426
Adjustment for share options (Unit'000)	2,148	1,661
Weighted Average Number of Ordinary Shares for Diluted Earnings Per Share (Unit '000)	196,551	196,087
Earnings per Share (sen)	7.01	18.68

B12 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 consolidated statement of financial position. The difference levels have been defined as follows:

Level 1 : Quoted prices (adjusted) in active markets for identical assets or liabilities

Level 2: 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 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)



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B12 Fair Value of Financial Instruments (continued)

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 RM'000
	Level 1	Level 2	Level 3	
	RM'000	RM'000	RM'000	
As at 31 December 2023				
<u>Financial Assets</u>				
Financial Assets at Fair Value				
Through Profit or Loss	4	30,739	-	30,743
As at 31 March 2023				
<u>Financial Assets</u>				
Financial Assets at Fair Value				
Through Profit or Loss	1,013	25,048	-	26,061

B13 Profit Before Tax

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

	3 months ended 31.12.23 RM'000	9 Months Ended 31.12.23 RM'000
Distribution income	-	1
Interest income	3,613	9,725
Other income including investment income	280	805
Interest expense	(22)	(101)
Depreciation and amortisation	(2,679)	(8,632)
Allowance for doubtful debts	(54)	(13)
Gain on disposal of property, plant and equipment	-	14
Foreign exchange gain	3,243	8,570
Share option expenses	(277)	(832)

B14 The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors.