



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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

	30.09.24	31.03.24
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	97,627	104,073
Right-of-use assets	3,635	4,512
Investment properties	9,424	9,513
Intangible assets	30,234	30,234
Investment in an associate	204,939	215,064
Deferred tax assets	52	-
	<u>345,911</u>	<u>363,396</u>
Current Assets		
Inventories	80,524	90,652
Trade and other receivables	46,758	51,977
Other investments	96,870	30,005
Current tax assets	-	6
Cash and bank balances	252,755	316,958
	<u>476,907</u>	<u>489,598</u>
TOTAL ASSETS	<u><u>822,818</u></u>	<u><u>852,994</u></u>
EQUITY AND LIABILITIES		
Share capital	204,674	203,698
Treasury shares	(5,538)	(1,214)
Reserves	576,459	589,478
Equity attributable to equity holders of the parent	<u>775,595</u>	<u>791,962</u>
Non-controlling interests	718	728
Total Equity	<u>776,313</u>	<u>792,690</u>
Non-Current Liabilities		
Lease liabilities	-	183
Deferred tax liabilities	14,385	15,978
	<u>14,385</u>	<u>16,161</u>
Current Liabilities		
Lease liabilities	585	1,348
Trade and other payables	23,466	29,971
Dividend payable	-	6,817
Current tax liabilities	8,069	6,007
	<u>32,120</u>	<u>44,143</u>
Total Liabilities	<u>46,505</u>	<u>60,304</u>
TOTAL EQUITY AND LIABILITIES	<u><u>822,818</u></u>	<u><u>852,994</u></u>
Net assets per share (sen)	(Refer Note A16) 401.69	406.63

The condensed financial statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024.



ASIA FILE CORPORATION BHD. (313192-P)
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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR HALF YEAR ENDED 30 SEPTEMBER 2024**

	3 Months Ended		Half Year Ended	
	30.09.24 RM'000	30.09.23 RM'000	30.09.24 RM'000	30.09.23 RM'000
Revenue	68,511	79,036	145,679	154,685
Operating expenses	(76,069)	(70,955)	(142,456)	(128,778)
Other operating income	772	235	995	464
(Loss)/Profit from operations	(6,786)	8,316	4,218	26,371
Finance cost	(11)	(49)	(26)	(79)
Investing results	3,608	3,287	7,441	6,188
Share of loss of an associate	(4,770)	(474)	(5,819)	(3,248)
(Loss)/Profit before tax	(7,959)	11,080	5,814	29,232
Taxation	(2,596)	(4,152)	(6,068)	(6,287)
(Loss)/Profit for the period	(10,555)	6,928	(254)	22,945
Other comprehensive (expense)/income, net of tax				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	(10,601)	(3,831)	(10,759)	4,973
Items that will not be reclassified subsequently to profit or loss				
Share of other comprehensive (expense)/income of equity-accounted associate	(2,110)	(28)	(2,139)	737
Other comprehensive (expense)/income for the period, net of tax	(12,711)	(3,859)	(12,898)	5,710
Total comprehensive (expense)/income for the period	(23,266)	3,069	(13,152)	28,655



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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR HALF YEAR ENDED 30 SEPTEMBER 2024

	3 Months Ended		Half Year Ended	
	30.09.24 RM'000	30.09.23 RM'000	30.09.24 RM'000	30.09.23 RM'000
(Loss)/Profit attributable to:				
Equity holders of the Company	(10,577)	6,873	(311)	22,854
Non-controlling interests	22	55	57	91
(Loss)/Profit for the period	(10,555)	6,928	(254)	22,945
Total comprehensive income attributable to:				
Equity holders of the Company	(23,221)	3,035	(13,142)	28,531
Non-controlling interests	(45)	34	(10)	124
Total comprehensive (expense)/income for the period	(23,266)	3,069	(13,152)	28,655
Earnings per share attributable to owners of the Company (sen)				
- Basic	(5.44)	3.53	(0.16)	11.76
- Diluted	(5.38)	3.50	(0.16)	11.67

The condensed financial statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024.



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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR HALF YEAR ENDED 30 SEPTEMBER 2024

	← Attributable to owners of the Company →					Non-Controlling Interests	Total Equity	
	Share Capital	Treasury Shares	Share option reserve	Translation Reserve	Retained Earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Period ended 30 September 2024								
At 1 April 2024	203,698	(1,214)	2,505	29,743	557,230	791,962	728	792,690
(Loss)/ Profit for the year	-	-	-	-	(311)	(311)	57	(254)
Other comprehensive expense for the period	-	-	-	(12,831)	-	(12,831)	(67)	(12,898)
Total comprehensive (expense)/income for the period	-	-	-	(12,831)	(311)	(13,142)	(10)	(13,152)
Treasury shares aquired	-	(4,324)	-	-	-	(4,324)	-	(4,324)
Issuance of ordinary shares pursuant to ESOS	976	-	(189)	-	-	787	-	787
Share options vested under ESOS	-	-	312	-	-	312	-	312
Transfer of share option reserve to retained earnings upon lapse of ESOS	-	-	(93)	-	93	-	-	-
Total transactions with owners	976	(4,324)	30	-	93	(3,225)	-	(3,225)
At 30 September 2024	204,674	(5,538)	2,535	16,912	557,012	775,595	718	776,313

The condensed financial statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024.



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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR FOR HALF YEAR ENDED 30 SEPTEMBER 2024

	← Attributable to owners of the Company →					Non-Controlling Interests	Total Equity	
	Share Capital	Treasury Shares	Share option reserve	Translation Reserve	Retained Earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Year ended 31 March 2024								
At 1 April 2023	202,434	(2)	1,792	18,475	525,440	748,139	543	748,682
Profit for the year	-	-	-	-	52,075	52,075	119	52,194
Other comprehensive income for the year	-	-	-	11,268	-	11,268	66	11,334
Total comprehensive income for the year	-	-	-	11,268	52,075	63,343	185	63,528
Dividends paid	-	-	-	-	(20,437)	(20,437)	-	(20,437)
Treasury shares aquired	-	(1,212)	-	-	-	(1,212)	-	(1,212)
Issuance of ordinary shares pursuant to ESOS	1,264	-	(245)	-	-	1,019	-	1,019
Share options vested under ESOS	-	-	1,110	-	-	1,110	-	1,110
Transfer of share option reserve to retained earnings upon lapse of ESOS	-	-	(152)	-	152	-	-	-
Total transactions with owners	1,264	(1,212)	713	-	(20,285)	(19,520)	-	(19,520)
At 31 March 2024	203,698	(1,214)	2,505	29,743	557,230	791,962	728	792,690

The condensed financial statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024.



ASIA FILE CORPORATION BHD. (313192-P)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR HALF YEAR ENDED 30 SEPTEMBER 2024

	30.09.24	30.09.23
	RM'000	RM'000
Profit before tax	5,814	29,232
Adjustments for:		
Non-cash items	28,149	14,547
Non-operating items	(7,450)	(6,123)
Operating profit before changes in working capital	26,513	37,656
Changes in working capital		
Net change in current assets	7,209	9,462
Net change in current liabilities	(9,377)	(4,104)
	(2,168)	5,358
Net cash from operating activities	24,345	43,014
Investing activities		
Equity investments	2,168	2,891
Other investments	(59,944)	4,425
Net cash (used in)/from investing activities	(57,776)	7,316
Financing activities		
Dividend paid	(6,817)	-
Repurchase of treasury shares	(4,324)	(1,212)
Repayment of lease liabilities	(891)	(1,035)
Proceeds from issuance of ordinary shares	787	612
Net cash used in financing activities	(11,245)	(1,635)
Net change in cash & cash equivalents	(44,676)	48,695
Cash & cash equivalents at beginning of year	316,958	248,062
Effects of exchange rates changes	(19,527)	(1,949)
Cash & cash equivalents at end of period	252,755	294,808

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:

	30.09.24	30.09.23
	RM'000	RM'000
Cash and bank balances	252,755	294,808

The condensed financial statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024.



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NOTES TO THE INTERIM FINANCIAL REPORT FOR HALF YEAR ENDED 30 SEPTEMBER 2024

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 2024 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 2024, 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 2024, as disclosed below:

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

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 121, <i>The Effects of Changes in Foreign Exchange Rules – Lack of Exchangeability</i>	1 Jan 2025
Amendments to MFRS 9 and MFRS 7, <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 Jan 2026
MFRS 18, <i>Presentation and Disclosure in Financial Statements</i>	1 Jan 2027
MFRS 19, <i>Subsidiaries without Public Accountability: Disclosures</i>	1 Jan 2027
Amendments to MFRS 10 and MFRS 128, <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

A3 Audit Report

There was no qualification on the audited financial statements of the Group for the financial year ended 31 March 2024.

A4 Seasonal or Cyclical Factors

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



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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

For the financial period ended 30 September 2024, the issued and fully paid-up ordinary shares of the Company was increased from 195,468,760 ordinary shares to 195,975,060 ordinary shares by way of issuance of 506,300 new ordinary shares pursuant to the Employees' Share Option Scheme ("ESOS").

During the quarter under review, the Company repurchased 2,185,100 of its issued ordinary shares from the open market for a total consideration of RM4.32 million. The repurchased shares were financed by internally generated funds.

As at 30 September 2024, the Company held a total of 2,892,600 ordinary shares as treasury shares.

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 RM 6,816,644 for the financial year ended 31 March 2024 was paid on 23 May 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)

Half year ended 30.09.2024

	Filing Products RM'000	Consumer & Food Ware Products RM'000	Others RM'000	Total RM'000
Revenue from external customers	121,740	23,927	12	145,679
Operating profit/ (loss)	1,589	3,196	(567)	4,218

Reconciliation of reportable segment profit:

Operating profit for reportable segments	4,785
Operating loss for non-reportable segment	(567)
Finance cost	(26)
Investing results	7,441
Share of loss of an associate	(5,819)
Consolidated profit before taxation	5,814

Half year ended 30.09.2023

	Filing Products RM'000	Consumer & Food Ware Products RM'000	Others RM'000	Total RM'000
Revenue from external customers	133,564	21,109	12	154,685
Operating profit	23,298	2,903	170	26,371

Reconciliation of reportable segment profit:

Operating profit for reportable segments	26,201
Operating profit for non-reportable segment	170
Finance cost	(79)
Investing results	6,188
Share of loss of an associate	(3,248)
Consolidated profit before taxation	29,232

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.

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.



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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 RM128.53mil (31 March 2024: RM155.02mil).

(ii) The Company has also given corporate guarantee of RM11.04mil (31 March 2024: RM11.94mil) to a supplier of its subsidiary, Higher Kings Mill Limited of which RM1.83mil (31 March 2024: RM1.50mil) was utilised at the end of the quarter.

A14 Capital Commitments

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

	30.09.24
	RM'000
Approved and contracted for:	
Machinery and Equipment	725

A15 Intangible Assets

	30.09.24	31.03.24
	RM'000	RM'000
Goodwill	30,234	30,234

A16 Net Assets per Share (sen)

	30.09.24	31.03.24
Shareholders' Fund (RM '000)	775,595	791,962
Share Capital (Unit '000)	193,082	194,761
Net Assets per Share (sen)	401.69	406.63

B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1 Review of Performance

Current Quarter

The Group reported total revenue of RM68.51 million for the second quarter ending 30 September 2024, representing a 13.3% decline compared to RM79.04 million in the same period last year.

For the quarter, revenue from the Filing division decreased to RM56.69 million, down from RM68.09 million in the previous year, primarily due to lower demand for filing products in this quarter. In contrast, driven by strong sales performance on online platforms, the Consumer & Food Ware division saw an 8% increase in revenue, reaching RM11.82 million, up from RM10.94 million last year.



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B1 Review of Performance (continued)

Current Quarter

During the quarter, the Group experienced a loss before tax of RM7.96 million as compared to profit before tax of RM11.08 million registered in the same period last year. During the quarter, Sterling Pound against the local currency weakened to 5.52 from 5.97 as at June 2024 while EURO weakened to 4.60 from 5.07. As a result, the Group's bottom line for the quarter suffered a total foreign exchange loss of RM16.21 million, of which a total of RM16.07 million was in relation to unrealized foreign exchange loss. In addition, the Group also shared loss from the associate company of RM4.77 million (2Q FY24: RM0.474 million) during the quarter.

Year To Date

For the six months' period ended 30 September 2024, the Group reported total revenue of RM145.68 million as compared to RM154.69 million for the same period last year. This represents a 5.8% drop in overall revenue. The decline was mainly attributed by weaker sales in the Filing division which saw its revenue decreased from RM133.56 million to RM121.74 million. The above drop was partially mitigated by improvement in Consumer & Food Ware division where sales rose from RM21.11 million to RM23.93 million during the period.

Profit before tax for the six-month period dropped to RM5.81 million as compared to RM29.23 million recorded in the corresponding period last year. In addition to lower revenue, the Group's bottom line was negatively impacted by an unfavorable foreign exchange loss of RM16.48 million as compared to foreign exchange gain of RM5.33 million recorded in the corresponding period last year. The operating margin was further hit by the escalation in costs in sea freight and a higher share of loss from associate company of RM5.82 million, as opposed to RM3.25 million losses shared during the same period last year.

B2 Comparison with Preceding Quarter

	30.09.24	30.06.24
	RM'000	RM'000
Revenue	68,511	77,168
(Loss)/Profit before tax	(7,959)	13,773
Forex Loss	(16,213)	(263)
Share of loss of an associate	(4,770)	(1,049)

On the back of a lower turnover of RM68.51 million (1Q FY25: RM77.17 million) and a higher foreign exchange loss of RM16.21 million (1Q FY25: RM0.26 million), the Group suffered a loss before tax of RM7.96 million as compared to profit before tax of RM13.77 million achieved in the preceding quarter.

B3 Current Year Prospects

Despite the challenges posed by currency fluctuations and global economic uncertainty, the Group remains cautiously optimistic about the upcoming quarter, particularly in expanding its product category. The Group will continue to focus on developing new product lines and enhancing productivity to drive both its revenue and profit growth.

In light of the declining demand in the Filing division, the Group is committed to mitigating the impact by broadening its product range and increasing market outreach. The Group is confident that its overall performance will remain positive for the financial year ending 31 March 2025.



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B4 Profit Forecast or Profit Guarantee

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

B5 Tax Expense

	Half Year Ended	
	30.09.24	30.09.23
	RM'000	RM'000
Current Tax Expense		
- Current Year	6,729	6,766
- Prior Year	-	(145)
	<u>6,729</u>	<u>6,621</u>
Withholding Tax Expense	283	-
Deferred Tax Expense		
- Current Year	(944)	(334)
	<u>6,068</u>	<u>6,287</u>

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 21 November 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

	30.09.24	31.03.24
	RM'000	RM'000
Current Assets		
Fair Value through Profit or Loss:		
Investment in bond fund	25,091	25,176
Short-term funds	71,779	4,829
	<u>96,870</u>	<u>30,005</u>

B9 Changes in Material Litigation

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

B10 Dividends Proposed

The Board of Directors does not recommend any dividend during the current quarter.



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B11 Earnings per Share

	3 months ended 30.09.24	Half Year Ended 30.09.24
Basic earnings per share		
Profit Attributable to Equity Holders of the Company (RM'000)	(10,577)	(311)
Weighted Average Number of Ordinary Shares (Unit '000)	194,308	194,594
Earnings per Share (sen)	(5.44)	(0.16)
	3 months ended 30.09.24	Half Year Ended 30.09.24
Diluted earnings per share		
Profit Attributable to Equity Holders of the Company (RM'000)	(10,577)	(311)
Weighted Average Number of Ordinary Shares (Unit '000)	194,308	194,594
Adjustment for share options (Unit'000)	2,257	2,491
Weighted Average Number of Ordinary Shares for Diluted Earnings Per Share (Unit '000)	196,565	197,085
Earnings per Share (sen)	(5.38)	(0.16)

B12 Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, short term receivables and payables 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)

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



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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 30 September 2024				
<u>Financial Assets</u>				
Financial Assets at Fair Value				
Through Profit or Loss	71,779	25,091	-	96,870
As at 31 March 2024				
<u>Financial Assets</u>				
Financial Assets at Fair Value				
Through Profit or Loss	4,829	25,176	-	30,005

B13 Profit Before Tax

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

	3 months ended 30.09.24 RM'000	Half Year Ended 30.09.24 RM'000
Distribution income	38	50
Interest income	3,073	6,887
Other income including investment income	902	1,115
Interest expense	(11)	(26)
Depreciation and amortisation	(2,739)	(5,584)
Bad debts written off	(8)	(8)
(Allowance)/Reversal for doubtful debts	(1)	13
Gain on disposal of property, plant and equipment	367	384
Property, plant and equipment written off	(126)	(126)
Foreign exchange loss	(16,213)	(16,476)
Share option expenses	(156)	(312)

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