

COMPUTER FORMS (MALAYSIA) BHD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2013
(The figures are unaudited)

	FY 2014 Current Qtr Ended 30 Sep 13 (RM'000)	FY 2013 Current Qtr Ended 30 Sep 12 (RM'000)	FY 2014 Current 6 months Cumulative to 30 Sep 13 (RM'000)	FY 2013 Current 6 months Cumulative to 30 Sep 12 (RM'000)
Continuing Operations:				
Revenue	11,181	12,394	21,935	23,503
Cost of Sales	(9,007)	(9,231)	(18,184)	(18,776)
Gross Profit	<u>2,174</u>	<u>3,163</u>	<u>3,751</u>	<u>4,727</u>
Other Income	69	70	143	143
Administrative Expenses	(521)	(482)	(899)	(950)
Selling and Marketing Expenses	(576)	(614)	(1,177)	(1,215)
Other Expenses	(373)	(506)	(881)	(926)
Finance Costs	(234)	(291)	(415)	(518)
Profit/(loss) Before Tax	<u>539</u>	<u>1,340</u>	<u>522</u>	<u>1,261</u>
Income tax expenses	(146)	(59)	(353)	(148)
Profit/(loss) For The Period	<u>393</u>	<u>1,281</u>	<u>169</u>	<u>1,113</u>
Other Comprehensive Income	0	0	0	0
Total Comprehensive Income For The Period	<u>393</u>	<u>1,281</u>	<u>169</u>	<u>1,113</u>
Profit Attributable to:				
Owners of the parent	378	1,273	105	1,080
Non- Controlling Interest	15	8	64	33
	<u>393</u>	<u>1,281</u>	<u>169</u>	<u>1,113</u>
Total Comprehensive Income Attributable to:				
Owners of the parent	378	1,273	105	1,080
Non- Controlling Interest	15	8	64	33
	<u>393</u>	<u>1,281</u>	<u>169</u>	<u>1,113</u>
EPS - Basic and Diluted (sen)	0.92	3.10	0.26	2.63

(THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013)

COMPUTER FORMS (MALAYSIA) BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2013
(The figures are unaudited)

	As At 30 Sep 13	As At 31 Mar 13
	<u>(RM'000)</u>	<u>(RM'000)</u>
ASSETS		
Non-current assets		
Property, Plant and Equipment	36,008	36,614
Goodwill	1,309	1,309
	<u>37,317</u>	<u>37,923</u>
Current Assets		
Inventories	21,924	14,609
Trade and Other Receivables	16,547	12,239
Tax Recoverable	547	901
Cash and Bank Balances	5,882	8,910
	<u>44,900</u>	<u>36,659</u>
Total Assets	<u>82,217</u>	<u>74,582</u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of The Parent		
Share Capital	41,000	41,000
Retained Earnings	13,017	12,912
	<u>54,017</u>	<u>53,912</u>
Non-Controlling Interest	1,668	1,604
Total Equity	<u>55,685</u>	<u>55,516</u>
Non-Current Liabilities		
Long-Term Borrowings	4,460	4,460
Hire Purchase Creditor	230	313
Deferred Tax	3,217	3,217
Total Non-Current Liabilities	<u>7,907</u>	<u>7,990</u>
Current Liabilities		
Trade and Other Payables	6,446	4,244
Hire Purchase Creditor	162	168
Short-Term Borrowings	12,017	6,664
Total Current Liabilities	<u>18,625</u>	<u>11,076</u>
Total Liabilities	26,532	19,066
Total Equity and Liabilities	<u>82,217</u>	<u>74,582</u>
Net Asset Per Share (RM)	1.32	1.31

(THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013)

COMPUTER FORMS (MALAYSIA) BERHAD
 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE QUARTER ENDED 30 SEPTEMBER 2013
 (The figures are unaudited)

	Attributable to Equity Holdings of Parent----->			Non- Controlling Interest	Total Equity
	Share Capital	Distributable Retained Earnings	Total		
As at 1 April 2012	41,000	13,397	54,397	1,547	55,944
Total Comprehensive Income For The Period		1,080	1,080	33	1,113
At 30 September 2012	41,000	14,477	55,477	1,580	57,057
As at 1 April 2013	41,000	12,912	53,912	1,604	55,516
Total Comprehensive Income For The Period		105	105	64	169
At 30 September 2013	41,000	13,017	54,017	1,668	55,685

(THE CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY SHOULD BE READ
 IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013)

COMPUTER FORMS (MALAYSIA) BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 30 SEPTEMBER 2013
(The figures are unaudited)

	FY 2014 6 months ended 30 Sep 13 (RM'000)	FY 2013 6 months ended 30 Sep 12 (RM'000)
CASHFLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	522	1,261
Adjustments for:		
Depreciation	991	1,002
Interest Income	(72)	(60)
Interest Expense	415	518
Other non cash/non operational items	0	22
Operating profit before working capital changes	<u>1,856</u>	<u>2,743</u>
Working capital changes:		
Inventories	(7,314)	(5,692)
Debtors	(4,309)	(1,484)
Creditors	2,196	5,132
Cash inflows/(outflows) from operations	<u>(7,571)</u>	<u>699</u>
Tax (paid)/Refunded	0	(578)
Interest paid	(415)	(518)
Interest Income	72	60
Net cash inflows/(outflows) from operating activities	<u>(7,914)</u>	<u>(337)</u>
CASHFLOWS FROM INVESTING ACTIVITIES		
Acquisition of Plant, Property and Equipment (PPE)	(385)	(670)
Proceeds from disposal of PPE	-	10
CASHFLOWS FROM FINANCING ACTIVITIES		
Proceeds/(Repayment) of long term liabilities	(83)	(12)
Proceeds/(Repayment) from short term borrowings	5,503	1,100
NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS	<u>(2,879)</u>	<u>91</u>
CASH & CASH EQUIVALENTS BROUGHT FORWARD	<u>7,344</u>	<u>7,465</u>
CASH & CASH EQUIVALENTS CARRIED FORWARD	<u><u>4,465</u></u>	<u><u>7,556</u></u>
Cash and Cash Equivalents at end of financial period		
comprise of the following:		
	As At 30 Sep 13 (RM'000)	As At 30 Sep 12 (RM'000)
Cash and Bank Balances	5,882	9,322
Fixed Deposit Pledged with licenced banks	(24)	(22)
Bank Overdrafts (included within Short Term Borrowings)	(1,393)	(1,744)
	<u><u>4,465</u></u>	<u><u>7,556</u></u>

(THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013)

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2013

A. Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Listing Requirements

A1. Accounting Policies and Methods of Computation

The interim financial report has been prepared in accordance with FRS 134, *Interim Financial Reporting* and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2013. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the audited financial statements for the year ended 31 March 2013.

The following new MFRSs and Amendments to published standards have been issued and are relevant but are not yet effective to the Group and the Company:

Standards/Amendments	Effective date
Amendments to MFRS 101 – Presentation of Items of Other Comprehensive Income	1 July 2013
MFRS 10 – Consolidated Financial Statements	1 January 2013
MFRS 12 – Disclosures of Interests in other Entities	1 January 2013
MFRS 13 – Fair Value Measurement	1 January 2013
MFRS 119 – Employee Benefits (IAS 19 as amended by IASB in June 2011)	1 January 2013
MFRS 127 – Separate Financial Statements (IAS 27 as amended by IASB in May 2011)	1 January 2013
Amendments to MFRS 7 - Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Annual Improvements to MFRSs 2009 – 2011 Cycle as follows:	1 January 2013
• Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards	
• Amendments to MFRS 101 Presentation of Financial Statements	
• Amendments to FRS 116 Property, Plant and Equipment	
• Amendments to FRS 132 Financial Instruments: Presentation	
• Amendments to FRS 134 Interim Financial Reporting	

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Amendments to MFRS 132 – Offsetting Financial assets and
Financial Liabilities 1 January 2014

MFRS 9 – Financial Instruments (IFRS 9 issued by IASB in
November 2009 and October 2011 respectively) and mandatory
effective date of MFRS 9 and transition disclosures 1 January 2015

A2. Explanatory Comments about the Seasonality or Cyclicity of Interim Operations

The operations of the Group are not significantly affected by seasonal or cyclical factors except for a subsidiary that usually reports higher revenue during the school exercise book sale season in the 3rd Quarter of each financial year.

A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cashflows

There were no items affecting assets, liabilities, equity, net income, or cash flows that were unusual because of their nature, size or incidence.

A4. Material Changes in Estimates

There were no material changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years.

A5. Issuance, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities.

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities in the financial year to date.

A6. Dividends Paid

No dividend was paid by the Company in the interim period or the financial year to date.

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A7. Operating Segmental Information

The segment revenue and result of business segments for the financial year to date are as follows:

All balances in RM'000	Business Forms and Data Print Services		Commercial Printing		Flexible Packaging		Other/ Consol Adj		Consolidated Totals	
	FY'14	FY'13	FY'14	FY'13	FY'14	FY'13	FY'14	FY'12	FY'14	FY'12
Revenue										
Revenue	9,989	10,073	2,523	3,963	9,550	9,782	(127)	(315)	21,935	23,503
Results										
Profit Before Tax	880	592	(921)	(144)	534	825	29	(12)	522	1,261

A8. Valuation of Property, Plant and Equipment

The valuation of plant and equipment were brought forward without any amendment from the previous annual financial statements.

A9. Subsequent Events

There were no events subsequent to the end of the interim period that has not been reflected in the financial statements for the interim period.

A10. Effect of Changes in the Composition of the Group

There were no changes in the composition of the Group during the interim period, including business combinations, disposal of subsidiaries and long-term investments, restructurings and discontinued operations.

A11. Capital Commitments

The Group has contracted to acquire machinery amounting to USD354,000. There was no other material capital commitments not recognised in the interim financial statements.

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B. Explanatory Notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of Performance of Operating Segments

Business Forms and Data Print Services

The revenue for the second quarter was 3% higher as compared with the corresponding quarter in the preceding year. This increase was primarily due to the increase sales in security products.

The profit before tax for the second quarter was 49% higher than the corresponding period in the preceding year. The increase in the profit before tax was due to higher margins from the sales of security products.

Commercial Printing

The revenue for the second quarter was 38% lower as compared with the corresponding quarter in the preceding year. This was primarily due to lower sales of exercise books.

A loss before tax of RM58,000 was reported in the second quarter as compared with a profit of RM697,000 the corresponding quarter in the preceding year. The loss was primarily due to the lower sales.

Flexible Packaging

The revenue for the second quarter was 6% lower as compared with the corresponding quarter in the preceding year. The decrease in revenue was due to lower exports.

The profit before tax for the second quarter was 65% lower than the corresponding quarter in the preceding year. This decrease was due to lower revenue as well as higher cost of labour.

B2. Material Changes in Profit Before Tax for Current Quarter as Compared to the Preceding Quarter.

	Current Qtr Ended 30 Sep 2013 (RM'000)	Preceding Qtr Ended 30 Jun 2013 (RM'000)
Revenue	11,181	10,753
Profit/(loss) Before Tax	539	(17)

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Revenue was higher this quarter due to the start of the seasonal sales of exercise books. The higher revenue resulted in a profit reported in the current quarter.

B3. Prospects

- a) The Management expects revenue and profitability to improve in the remaining periods of the financial year due to the seasonal sales of the exercise books.
- b) The Group has not announced or disclosed in a public document any revenue or profit estimate, forecast, projection or internal targets.

B4. Statement of the Board of Directors' Opinion as to whether Revenue or Profit Estimate, Forecast, Projection or Internal Targets are likely to be achieved.

Not applicable as the Group has not announced or disclosed in a public document any revenue or profit estimate, forecast, projection or internal targets.

B5. Variance of Profit Forecast and Profit Guarantees

Not applicable as the Group has not disclosed any profit forecasts or made any profit guarantees.

B6. Tax

	Current Quarter Ended 30 Sep'13 RM'000	6 Months Cumulative YTD 30 Sep'13 RM'000
Income tax expense/(credit)	146	354

The effective tax rate of the Group for the six months is higher than the statutory tax rate because of the following:

- a) Losses reported by a subsidiary amounting to RM0.9 million that did not qualify for group tax relief.

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B7. Status of Corporate Proposals

- a) The Company does not have any pending corporate proposals.
- b) The disclosure of the utilisation of proceeds raised from any corporate proposal is not applicable.

B8. Group Borrowings and Debt Securities

Details of the Group's borrowings as follows:

	As At 30 Sep '13 RM'000
Short Term Borrowings – Secured	12,179
Long Term Borrowing – Secured	4,690

The Group does not have any debt securities. All borrowings are secured and ringgit denominated.

B9. Changes in Material Litigation

There were no pending material litigations since the date of the last Annual Statement of Financial Position.

B10. Dividend

No dividend was proposed during the financial year to date.

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NOTES TO THE INTERIM FINANCIAL REPORT
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B11. Earnings Per Share (EPS)

Basic and Diluted Earnings Per Share

FY 2014	Quarter Ended 30 Sep'13	Cumulative 6 Months Ended 30 Sep'13
RM'000		
Profit/(Loss) for the Period attributable to owners of the parent	378	105
No. of Ordinary Shares	41,000	41,000
Earnings/ (loss) Per Share	0.92 sen	0.26 sen

FY 2013	Quarter Ended 30 Sep'12	Cumulative 6 Months Ended 30 Sep'12
RM'000		
Profit/(Loss) for the Period attributable to owners of the parent	1,273	1,080
No. of Ordinary Shares	41,000	41,000
Earnings/ (loss) Per Share	3.1 sen	2.63 sen

B12. Qualification of Audit Report

There was no audit qualification in the preceding annual financial statement of the Group and Company for the financial year ended 31 March 2013.

B13. Notes to the Comprehensive Income Statement

	Current Qtr 30 Sep'13 RM'000	6 Mths to Date 30 Sep '13 RM'000
a) Interest income	36	72
b) Other income (exclude interest income)	33	71
c) Interest expense	234	415
d) Depreciation and amortisation	493	991
e) Provision for and write off of receivables	0	0
f) Provision for and write off of inventories	0	0
g) Gain and loss on disposal of quoted and		

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unquoted investments or properties	0	0
h) Impairment of assets	0	0
i) Foreign exchange gain/(loss)	65	57
j) Gain or loss on derivatives	0	0
k) Exceptional items	0	0

B14. Realised and Unrealised Retained Earnings Disclosure

	As at 30/09/13 <u>RM'000</u>	As at 31/03/13 <u>RM'000</u>
Total retained profits of the Company and its subsidiaries:		
Realised Retained Earnings	80,985	80,985
Unrealised Retained Losses	(3,216)	(3,216)
Add Consolidated adjustments	(64,752)	(64,857)
Total Retained Earnings as per Consolidated Accounts	<u>13,017</u>	<u>12,912</u>

By order of the Board

LEE YU JIN
Chief Financial Officer
29 November 2013