

COMPUTER FORMS (MALAYSIA) BHD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 DECEMBER 2015
(The figures are unaudited)

	FY 2016 Current Qtr Ended 31 Dec 15	FY 2015 Current Qtr Ended 31 Dec 14	FY 2016 Current 9 months Cumulative to 31 Dec 15 (RM'000)	FY 2015 Current 9 months Cumulative to 31 Dec 14 (RM'000)
	<u>(RM'000)</u>	<u>(RM'000)</u>	<u>(RM'000)</u>	<u>(RM'000)</u>
Continuing Operations:				
Revenue	15,276	14,471	34,299	34,815
Cost of Sales	(12,553)	(11,956)	(29,911)	(29,567)
Gross Profit	<u>2,723</u>	<u>2,515</u>	<u>4,388</u>	<u>5,248</u>
Other Income	30	53	94	148
Administrative Expenses	(647)	(445)	(2,001)	(1,342)
Selling and Marketing Expenses	(593)	(673)	(1,586)	(1,756)
Other Expenses	1	(549)	(504)	(1,564)
Finance Costs	(200)	(184)	(486)	(489)
Profit/(loss) Before Tax	<u>1,314</u>	<u>717</u>	<u>(95)</u>	<u>245</u>
Income tax expenses	(103)	31	(165)	(78)
Profit/(loss) For The Period	<u>1,211</u>	<u>748</u>	<u>(260)</u>	<u>167</u>
Other Comprehensive Income	0	0	0	0
Total Comprehensive Income For The Period	<u>1,211</u>	<u>748</u>	<u>(260)</u>	<u>167</u>
Profit Attributable to:				
Owners of the parent	1,143	784	(347)	213
Non- Controlling Interest	68	(36)	87	(46)
	<u>1,211</u>	<u>748</u>	<u>(260)</u>	<u>167</u>
Total Comprehensive Income Attributable to:				
Owners of the parent	1,143	784	(347)	213
Non- Controlling Interest	68	(36)	87	(46)
	<u>1,211</u>	<u>748</u>	<u>(260)</u>	<u>167</u>
EPS - Basic and Diluted (sen)	2.79	1.91	(0.85)	0.52

(THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015)

COMPUTER FORMS (MALAYSIA) BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015
(The figures are unaudited)

	As At 31 Dec 15	As At 31 Mar 15
	<u>(RM'000)</u>	<u>(RM'000)</u>
ASSETS		
Non-current assets		
Property, Plant and Equipment	35,026	36,430
Goodwill	1,309	1,309
	<u>36,335</u>	<u>37,739</u>
Current Assets		
Inventories	13,758	14,179
Trade and Other Receivables	20,506	13,134
Tax Recoverable	798	433
Cash and Bank Balances	2,287	2,238
	<u>37,349</u>	<u>29,984</u>
Total Assets	<u>73,684</u>	<u>67,723</u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of The Parent		
Share Capital	41,000	41,000
Retained Earnings	12,866	13,213
	<u>53,866</u>	<u>54,213</u>
Non-Controlling Interest	1,673	1,586
Total Equity	<u>55,539</u>	<u>55,799</u>
Non-Current Liabilities		
Long-Term Borrowings	3,671	-
Hire Purchase Creditor	1,144	1,336
Deferred Tax	2,199	2,199
Total Non-Current Liabilities	<u>7,014</u>	<u>3,535</u>
Current Liabilities		
Trade and Other Payables	4,923	4,449
Hire Purchase Creditor	553	455
Short-Term Borrowings	5,655	3,438
Taxation	-	47
Total Current Liabilities	<u>11,131</u>	<u>8,389</u>
Total Liabilities	<u>18,145</u>	<u>11,924</u>
Total Equity and Liabilities	<u>73,684</u>	<u>67,723</u>
	-	-
Net Asset Per Share (RM)	1.31	1.32

(THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015)

COMPUTER FORMS (MALAYSIA) BERHAD
 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE QUARTER ENDED 31 DECEMBER 2015
 (The figures are unaudited)

	Attributable to Equity Holdings of Parent			Total Equity
	Share Capital	Distributable Retained Earnings	Non-Controlling Interest	
As at 1 April 2014	41,000	13,135	1,666	55,801
Total Comprehensive Income For The Period		213	(46)	167
At 31 December 2014	41,000	13,348	1,620	55,968
As at 1 April 2015	41,000	13,213	1,586	55,799
Total Comprehensive Income For The Period		(347)	87	(260)
As at 31 December 2015	41,000	12,866	1,673	55,539

(THE CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY SHOULD BE READ
 IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015)

COMPUTER FORMS (MALAYSIA) BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2015
(The figures are unaudited)

	FY 2016 9 months ended 31 Dec 15 (RM'000)	FY 2015 9 months ended 31 Dec 14 (RM'000)
CASHFLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	(95)	245
Adjustments for:		
Depreciation	1,689	1,676
Interest Income		
Interest Expense	486	489
Other non cash/non operational items	(57)	(11)
Operating profit before working capital changes	<u>2,023</u>	<u>2,399</u>
Working capital changes:		
Inventories	421	1,174
Debtors	(7,371)	(6,893)
Creditors	572	3,330
Cash inflows/(outflows) from operations	<u>(4,355)</u>	<u>10</u>
Tax (paid)/Refunded	(525)	(551)
Interest paid	(486)	(489)
Interest Income		
Net cash inflows/(outflows) from operating activities	<u>(5,366)</u>	<u>(1,030)</u>
CASHFLOWS FROM INVESTING ACTIVITIES		
Acquisition of Plant, Property and Equipment (PPE)	(285)	(220)
Proceeds from disposal of PPE	4	11
CASHFLOWS FROM FINANCING ACTIVITIES		
Placement of Margin Deposit	(200)	-
Repayment of long term liabilities	3,479	598
Proceeds/(Repayment) from short term borrowings	1,895	1,881
NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS	<u>(473)</u>	<u>1,240</u>
CASH & CASH EQUIVALENTS BROUGHT FORWARD	281	1,462
CASH & CASH EQUIVALENTS CARRIED FORWARD	<u>(192)</u>	<u>2,702</u>
Cash and Cash Equivalents at end of financial period comprise of the following:		
	As At 31 Dec 15 (RM'000)	As At 31 Dec 14 (RM'000)
Cash and Bank Balances	2,287	4,397
Fixed Deposit Pledged with licenced banks	(225)	(24)
Bank Overdrafts (included within Short Term Borrowings)	(2,254)	(1,671)
	<u>(192)</u>	<u>2,702</u>

(THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015)

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2015

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 2015. 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 2015 except as follows:

On 1 April 2015, the Group and the Company adopted the Amendments to published standards mandatory for annual financial periods beginning on or after 1 April 2015:

Amendments	Effective date
Annual Improvements to MFRSs 2010 – 2012 Cycle as follows:	1 July 2014
• Amendments to MFRS 3 Business Combinations	
• Amendments to MFRS 8 Operating Segments	
• Amendments to MFRS 116 Property, Plant and Equipment	
• Amendments to MFRS 124 Related Party Disclosures	
• Amendments to MFRS 138 Intangible Assets	
Annual Improvements to MFRSs 2011 – 2013 Cycle as follow:	1 July 2014
• Amendments to MFRS 3 Business Combinations	
• Amendments to MFRS 13 Fair Value Measurement	

The adoption of the above Amendments do not have any material effect on the financial statements of the Group and the Company.

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
Annual Improvements to MFRs 2012 – 2014 Cycle as follows:	1 January 2016
• Amendments to MFRS 7 Financial Instruments : Disclosures	
• Amendments to MFRS 119 Employee Benefits	

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
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- Amendments to MFRS 134 Interim Financial Reporting
- | | |
|--|----------------|
| Amendments to MFRS 101 – Disclosure Initiative | 1 January 2016 |
| Amendments to MFRS 116 and MFRS 138 – Clarification of Acceptable methods of Depreciation and Amortisation | 1 January 2016 |
| Amendments to MFRs 127 – Equity Method in Separate Financial Statements | 1 January 2016 |
| MFRS 15 – Revenue from Contracts with Customers | 1 January 2017 |
| MFRS 9 – Financial Instruments (IFRS 9 as issued by IASB in July 2014) and mandatory effective date of MFRS 9 and transition disclosures | 1 January 2018 |

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.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2015

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'16	FY'15	FY'16	FY'15	FY'16	FY'15	FY'16	FY'15	FY'16	FY'15
Revenue Revenue	14,235	13,463	7,524	8,380	12,750	13,126	(210)	(154)	34,299	34,815
Results Profit Before Tax	660	204	(320)	147	(505)	(94)	70	(12)	(95)	245

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

There was no material capital commitments not recognised in the interim financial statements.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2015

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 third quarter of RM5.1 million was 22% higher as compared with the corresponding quarter in the preceding year. Higher revenue was primarily due to increase in sales of security documents and data print services.

A profit before tax for the third quarter of RM411,000 was reported, as compared to a loss of RM179,000 the corresponding quarter in the preceding year. The improvement in profit was due to the higher revenue.

Commercial Printing

The revenue for the third quarter of RM5.9 million was 7% lower as compared with the corresponding quarter in the preceding year. This was due to lower demand caused by competition as well as lower usage of exercise books by schools.

The profit before tax for the third quarter of RM1.1 million was 5% higher than the corresponding quarter in the preceding year. The higher profit was due to lower administration, sales and marketing expenses.

Flexible Packaging

The revenue for the third quarter of RM4.3 million was 9% higher as compared with the corresponding quarter in the preceding year. The increase in revenue was due to higher sales to the local consumer market.

The loss before tax for the third quarter of RM0.20 million was reported as compared to a loss before tax of RM94,000 the corresponding quarter in the preceding year. The weaker result was due to higher costs of imported raw materials caused by the weak Ringgit as well as higher costs of financing.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2015

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

	Current Qtr Ended 31 Dec 2015 (RM'000)	Preceding Qtr Ended 31 Sep 2015 (RM'000)
Revenue	15,276	9,525
Profit/(loss) Before Tax	1,314	(468)

Revenue was higher this quarter due to seasonal sales of exercise books which led to higher profits reported by the commercial printing segment.

B3. Prospects

- a) The Management expects performance of both the revenue and profitability of the Group for the final quarter of the financial year to decline with the end of the seasonal sales of 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.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2015

B6. Tax

	Current Quarter Ended 31 Dec'15 RM'000	9 Months Cumulative YTD 31 Dec'15 RM'000
Income tax expense/(credit)	103	165

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

- a) Profit before tax reported by group companies amounting to RM0.66 million that did not qualify for group tax relief.

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 31 Dec '15 RM'000
Short Term Borrowings – Secured	5,655
Long Term Borrowing – Secured	3,671

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

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2015

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.

B11. Earnings Per Share (EPS)

Basic and Diluted Earnings Per Share

FY 2016	Quarter Ended 31 Dec'15	Cumulative 9 Months Ended 31 Dec'15
RM'000		
Profit/(Loss) for the Period attributable to owners of the parent	1,143	(347)
No. of Ordinary Shares	41,000	41,000
Earnings/ (loss) Per Share	2.79 sen	(0.85) sen

FY 2015	Quarter Ended 31 Dec'14	Cumulative 9 Months Ended 31 Dec'14
RM'000		
Profit/(Loss) for the Period attributable to owners of the parent	784	213
No. of Ordinary Shares	41,000	41,000
Earnings/ (loss) Per Share	1.91 sen	0.52 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 2015.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2015

B13. Notes to the Comprehensive Income Statement

	Current Qtr 31 Dec'15 RM'000	9 Mths to Date 31 Dec'15 RM'000
a) Interest income	0	0
b) Other income (exclude interest income)	30	94
c) Interest expense	200	486
d) Depreciation and amortization	536	1,689
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 unquoted investments or properties	0	0
h) Impairment of assets	0	0
i) Foreign exchange gain/(loss)	160	33
j) Gain or loss on derivatives	0	0
k) Exceptional items	0	0

B14. Realised and Unrealised Retained Earnings Disclosure

	As at 31/12/15 <u>RM'000</u>	As at 31/03/15 <u>RM'000</u>
Total retained profits of the Company and its subsidiaries:		
Realised Retained Earnings	124,367	124,359
Unrealised Retained Losses	(2,198)	(2,191)
Add Consolidated adjustments	(109,303)	(108,956)
Total Retained Earnings as per Consolidated Accounts	<u>12,866</u>	<u>13,212</u>

By order of the Board

LEE YU JIN
Chief Financial Officer
26 February 2016