

COMPUTER FORMS (MALAYSIA) BHD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 JUNE 2018
(The figures are unaudited)

	FY 2018 Current Qtr Ended 30 Jun 18 (RM'000)	FY 2018 Current Qtr Ended 30 Jun 17 (RM'000)	FY 2018 Current 3 months Cumulative to 30 Jun 18 (RM'000)	FY 2018 Current 3 months Cumulative to 30 Jun 17 (RM'000)
Continuing Operations:				
Revenue	8,744	10,111	8,744	10,111
Cost of Sales	(8,228)	(8,934)	(8,228)	(8,934)
Gross Profit	<u>516</u>	<u>1,177</u>	<u>516</u>	<u>1,177</u>
Other Income	87	104	87	104
Administrative Expenses	(658)	(677)	(658)	(677)
Selling and Marketing Expenses	(455)	(462)	(455)	(462)
Other Expenses	(140)	(216)	(140)	(216)
Finance Costs	(142)	(118)	(142)	(118)
Profit/(loss) Before Tax	<u>(792)</u>	<u>(192)</u>	<u>(792)</u>	<u>(192)</u>
Income tax expenses	-	(94)	0	(94)
Profit/(loss) For The Period	<u>(792)</u>	<u>(286)</u>	<u>(792)</u>	<u>(286)</u>
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income For The Period	<u>(792)</u>	<u>(286)</u>	<u>(792)</u>	<u>(286)</u>
Profit Attributable to:				
Owners of the parent	(795)	(416)	(795)	(416)
Non- Controlling Interest	3	130	3	130
	<u>(792)</u>	<u>(286)</u>	<u>(792)</u>	<u>(286)</u>
Total Comprehensive Income Attributable to:				
Owners of the parent	(795)	(416)	(795)	(416)
Non- Controlling Interest	3	130	3	130
	<u>(792)</u>	<u>(286)</u>	<u>(792)</u>	<u>(286)</u>
EPS - Basic and Diluted (sen)	(1.94)	(1.01)	(1.94)	(1.01)

(THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018)

COMPUTER FORMS (MALAYSIA) BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 30 JUNE 2018
(The figures are unaudited)

	FY 2018 3 months ended 30 Jun 18 (RM'000)	FY 2018 3 months ended 30 Jun 17 (RM'000)
CASHFLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	(792)	(192)
Adjustments for:		
Depreciation	377	402
Interest Income		
Interest Expense	142	118
Other non cash/non operational items	(3)	2
Operating profit before working capital changes	<u>(277)</u>	<u>330</u>
Working capital changes:		
Inventories	(162)	805
Debtors	1,884	1,916
Creditors	(1,086)	(949)
Cash inflows/(outflows) from operations	<u>360</u>	<u>2,102</u>
Tax (paid)/Refunded	(194)	(24)
Interest paid	(142)	(118)
Interest Income		
Net cash inflows/(outflows) from operating activities	<u>24</u>	<u>1,960</u>
CASHFLOWS FROM INVESTING ACTIVITIES		
Acquisition of Plant, Property and Equipment (PPE)	(213)	(13)
Proceeds from disposal of PPE	3	-
CASHFLOWS FROM FINANCING ACTIVITIES		
Repayment of long term liabilities	(327)	(387)
Proceeds/(Repayment) from short term borrowings	(135)	(77)
Movement of margin deposits	1,028	(169.00)
NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS	<u>380</u>	<u>1,314</u>
CASH & CASH EQUIVALENTS BROUGHT FORWARD	5,111	1,314
CASH & CASH EQUIVALENTS CARRIED FORWARD	<u>5,491</u>	<u>2,628</u>
Cash and Cash Equivalents at end of financial period comprise of the following:		
	As At 30 Jun 18 (RM'000)	As At 30 Jun 17 (RM'000)
Cash and Bank Balances	9,246	4,933
Fixed Deposit Pledged with licenced banks	(460)	(396)
Bank Overdrafts (included within Short Term Borrowings)	(3,295)	(1,909)
	<u>5,491</u>	<u>2,628</u>

(THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018)

COMPUTER FORMS (MALAYSIA) BERHAD
 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE QUARTER ENDED 30 JUNE 2018
 (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 2017	41,000	8,442	49,442	2,284	51,726
Total Comprehensive Income For The Period		(795)	(795)	3	(792)
At 30 June 2017	41,000	7,647	48,647	2,287	50,934
As at 1 April 2018	41,000	8,442	49,442	2,284	51,726
Total Comprehensive Income For The Period		(795)	(795)	3	(792)
At 30 June 2018	41,000	7,647	48,647	2,287	50,934

(THE CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY SHOULD BE READ
 IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018)

COMPUTER FORMS (MALAYSIA) BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018
(The figures are unaudited)

	As At 30 Jun 18	As At 31 Mar 18
	<u>(RM'000)</u>	<u>(RM'000)</u>
ASSETS		
Non-current assets		
Property, Plant and Equipment	31,623	31,787
Goodwill	393	393
	<u>32,016</u>	<u>32,180</u>
Current Assets		
Inventories	11,473	11,314
Trade and Other Receivables	12,236	14,120
Tax Recoverable	983	789
Cash and Bank Balances	9,246	9,322
	<u>33,938</u>	<u>35,544</u>
Total Assets	<u>65,954</u>	<u>67,723</u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of The Parent		
Share Capital	41,000	41,000
Retained Earnings	7,647	8,442
	<u>48,647</u>	<u>49,442</u>
Non-Controlling Interest	2,287	2,284
Total Equity	<u>50,934</u>	<u>51,726</u>
Non-Current Liabilities		
Long-Term Borrowings	981	1,182
Hire Purchase Creditor	58	184
Deferred Tax	2,028	2,028
Total Non-Current Liabilities	<u>3,067</u>	<u>3,394</u>
Current Liabilities		
Trade and Other Payables	4,465	5,559
Hire Purchase Creditor	459	452
Short-Term Borrowings	7,029	6,592
Taxation	-	-
Total Current Liabilities	<u>11,953</u>	<u>12,603</u>
Total Liabilities	15,020	15,997
Total Equity and Liabilities	<u>65,954</u>	<u>67,723</u>
Net Asset Per Share (RM)	1.19	1.21

(THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018)

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 JUNE 2018

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 2017. 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 2017 except as follows:

On 1 April 2018, the Group and the Company adopted the Amendments to published standards mandatory for annual financial periods beginning on or after 1 April 2018:

MFRS 15 – Revenue from Contracts with Customers

Clarifications to MFRS 15 - Revenue from Contracts with Customers

MFRS 9 – Financial Instruments (IFRS 9 as issued by IASB in July 2014)

IC Interpretation 22 – Foreign Currency Transactions and Advance Considerations

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/IC Interpretations/Amendments	Effective Date
Amendments to MFRS 9 – Prepayment Features with Negative Compensations	1 January 2019
MFRS 16 – Leases	1 January 2019
Annual Improvements to MFRSs Standards 2015 – 2017 Cycle:	
• Amendments to MFRS 3 Business Combinations	1 January 2019

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• Amendments to MFRS 112 Income Taxes	1 January 2019
• Amendments to MFRS 123 Borrowing Costs	1 January 2019
IC Interpretation 23 – Uncertainty Over Income Tax Treatments	1 January 2019
Amendments to MFRS 3 – Business Combinations	1 January 2019
Amendments to MFRS 101 – Presentations of Financial Statements	1 January 2019
Amendments to MFRS 108 – Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2020
Amendments to MFRS 134 – Interim Financial Reporting	1 January 2020
Amendments to IC Interpretation 22 – Foreign Currency Transaction and Advance Consideration	1 January 2020
Amendments to MFRS 137 – Provisions, Contingent Liabilities and Contingent Assets	1 January 2020

The initial adoption of the new MFRSs, Amendments and IC Interpretations do not have any material effect on the financial statements except for MFRS 16. Due to the complexity of the standard and its requirements, the financial effects of the adoption is still being assessed by the Group and Company.

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.

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.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 JUNE 2018

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.

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'19	FY'18	FY'19	FY'18	FY'19	FY'18	FY'19	FY'18	FY'19	FY'18
Revenue										
Revenue	4,067	5,134	483	451	4,203	4,542	(9)	(16)	8,744	10,111
Results										
Profit Before Tax	(248)	394	(287)	(730)	(325)	95	68	49	(792)	(192)

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.

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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 FIRST QUARTER ENDED 30 JUNE 2018

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 first quarter of RM4.1 million was 21% lower as compared with the corresponding quarter in the preceding year. The lower revenue was primarily due to a decrease in sales of data print services.

A loss before tax for the first quarter of RM248,000 was reported as compared to a profit before tax of RM394,000 the corresponding quarter in the preceding year. The weaker performance was due to the lower revenue, higher raw material utilisation as well as higher production labour costs.

Commercial Printing

The revenue for the first quarter of RM0.48 million was 7% higher as compared with the corresponding quarter in the preceding year. This was due to higher paper trading sales.

The loss before tax for the first quarter of RM287,000 was 61% lower than the corresponding quarter in the preceding year. The lower loss was due to lower production labour costs.

Flexible Packaging

The revenue for the first quarter of RM4.2 million was 7% lower as compared with the corresponding quarter in the preceding year. The decrease in revenue was due to lower export sales.

A loss before tax for the first quarter of RM325,000 was reported as compared to a profit before tax of RM95,000 the corresponding quarter in the preceding year. The weaker result was due to higher costs of raw materials as well as higher production labour costs.

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

	Current Qtr Ended 30 Jun 2018 (RM'000)	Preceding Qtr Ended 31 Mar 2018 (RM'000)
Revenue	8,755	10,928
Profit/(loss) Before Tax	(792)	(2,403)

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The lower revenue this current quarter was primarily due lower sales of data print services. The loss before tax this current quarter was lower due the preceding quarter incurred goodwill impairment of RM0.92 million as well as retrenchment costs of RM0.47 million.

B3. Prospects

- a) The Management expects performance to remain sluggish in view of the competitive market and challenging economic environment.
- 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 Jun'18 RM'000	3 Months Cumulative YTD 30 Jun'18 RM'000
Income tax expense/(credit)	0	0

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.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
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B8. Group Borrowings and Debt Securities

Details of the Group's borrowings as follows:

	As At 30 Jun '18 <u>RM'000</u>
Short Term Borrowings – Secured	7,029
Long Term Borrowing – Secured	981

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.

B11. Earnings Per Share (EPS)

Basic and Diluted Earnings Per Share

FY 2019	Quarter Ended 30 Jun'18	Cumulative 3 Months Ended 30 Jun '18
RM'000		
Profit/(Loss) for the Period attributable to owners of the parent	(795)	(795)
No. of Ordinary Shares	41,000	41,000
Earnings/ (loss) Per Share	(1.94) sen	(1.94) sen
FY 2018	Quarter Ended 30 Jun'17	Cumulative 3 Months Ended 30 Jun'17
RM'000		
Profit/(Loss) for the Period attributable to owners of the parent	(416)	(416)
No. of Ordinary Shares	41,000	41,000
Earnings/ (loss) Per Share	(1.01) sen	(1.01) sen

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 JUNE 2018

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 2018.

B13. Notes to the Comprehensive Income Statement

	Current Qtr 30 Jun'18 RM'000	3 Mths to Date 30 Jun'18 RM'000
a) Interest income	25	25
b) Other income (exclude interest income)	62	62
c) Interest expense	142	142
d) Depreciation and amortization	377	377
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	(7)	(7)
j) Gain or loss on derivatives	0	0
k) Exceptional items	0	0

By order of the Board

LEE YU JIN
Chief Financial Officer
30 August 2018