

COMPUTER FORMS (MALAYSIA) BHD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2021
(The figures are unaudited)

	FY 2021 Current Qtr Ended 31 Mar'21	FY 2020 Corresponding Qtr Ended 31Mar'20	FY 2021 Current 12 months Cumulative to 31 Mar'21 (RM'000)	FY 2020 Corresponding 12 months Cumulative to 31Mar'20 (RM'000)
	<u>(RM'000)</u>	<u>(RM'000)</u>	<u>(RM'000)</u>	<u>(RM'000)</u>
Continuing Operations:				
Revenue	7,756	7,534	29,271	30,390
Cost of Sales	(6,287)	(6,601)	(24,670)	(27,481)
Gross Profit	<u>1,469</u>	<u>933</u>	<u>4,601</u>	<u>2,909</u>
Other Income	22	150	256	529
Administrative Expenses	(517)	508	(2,204)	(1,585)
Selling and Marketing Expenses	(347)	(417)	(1,335)	(1,611)
Other Expenses	(168)	(1,258)	(580)	(1,698)
Finance Costs	(70)	(86)	(261)	(377)
Profit/(loss) Before Tax	<u>389</u>	<u>(170)</u>	<u>477</u>	<u>(1,833)</u>
Income tax expenses	(112)	(105)	(112)	(105)
Profit/(loss) For The Period	<u>277</u>	<u>(275)</u>	<u>365</u>	<u>(1,938)</u>
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income For The Period	<u>277</u>	<u>(275)</u>	<u>365</u>	<u>(1,938)</u>
Profit Attributable to:				
Owners of the parent	180	(308)	328	(1,900)
Non- Controlling Interest	97	33	37	(38)
	<u>277</u>	<u>(275)</u>	<u>365</u>	<u>(1,938)</u>
Total Comprehensive Income Attributable to:				
Owners of the parent	180	(308)	328	(1,900)
Non- Controlling Interest	97	33	37	(38)
	<u>277</u>	<u>(275)</u>	<u>365</u>	<u>(1,938)</u>
EPS - Basic and Diluted (sen)	0.44	(0.75)	0.80	(4.63)

(THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020)

COMPUTER FORMS (MALAYSIA) BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021
(The figures are unaudited)

	As At 31 Mar'21	As At 31 Mar'20
	<u>(RM'000)</u>	<u>(RM'000)</u>
ASSETS		
Non-current assets		
Property, Plant and Equipment	30,089	29,876
Goodwill	393	393
Right to Use Lease Asset at Costs	-	39.00
	<u>30,482</u>	<u>30,308</u>
Current Assets		
Inventories	8,101	10,628
Trade and Other Receivables	9,902	11,451
Tax Recoverable	324	205
Cash and Bank Balances	6,943	5,951
	<u>25,270</u>	<u>28,235</u>
Total Assets	<u>55,752</u>	<u>58,543</u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of The Parent		
Share Capital	41,000	41,000
Retained Earnings	3,963	3,635
	<u>44,963</u>	<u>44,635</u>
Non-Controlling Interest	2,298	2,261
Total Equity	<u>47,261</u>	<u>46,896</u>
Non-Current Liabilities		
Long-Term Borrowings	-	-
Deferred Tax	2,066	1,940
Lease Liability	0	20
Total Non-Current Liabilities	<u>2,066</u>	<u>1,960</u>
Current Liabilities		
Trade and Other Payables	2,049	4,031
Lease Liability	21	80
Short-Term Borrowings	4,355	5,515
Taxation	-	61
Total Current Liabilities	<u>6,425</u>	<u>9,687</u>
Total Liabilities	8,491	11,647
Total Equity and Liabilities	<u>55,752</u>	<u>58,543</u>
	-	
Net Asset Per Share (RM)	1.10	1.09

(THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020)

COMPUTER FORMS (MALAYSIA) BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2021
(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 2019	41,000	5,534	46,534	2,299	48,833
Total Comprehensive Income For The Period		(1,592)	(1,592)	(71)	(1,663)
At 31 March 2020	41,000	3,942	44,942	2,228	47,170
As at 1 April 2020	41,000	3,635	44,635	2,261	46,896
Total Comprehensive Income For The Period		328	328	37	365
At 31 March 2021	41,000	3,963	44,963	2,298	47,261

(THE CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY SHOULD BE READ
IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020)

COMPUTER FORMS (MALAYSIA) BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 31 MARCH 2021
(The figures are unaudited)

	FY 2021 12 months ended 31 Mar'21 (RM'000)	FY 2020 12 months ended 31 Mar'20 (RM'000)
CASHFLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	477	(1,833)
Adjustments for:		
Depreciation	1,273	1,500
Interest Income	(41)	(138)
Interest Expense	261	377
Other non cash/non operational items	(96)	63
Operating profit before working capital changes	<u>1,874</u>	<u>(31)</u>
Working capital changes:		
Inventories	2,527	(1,104)
Debtors	1,550	(1,276)
Creditors	(1,982)	325
Cash inflows/(outflows) from operations	<u>3,969</u>	<u>(2,086)</u>
Tax (paid)/Refunded	(172)	243
Interest paid	(261)	(377)
Interest Income	41	138
Leases paid	0	(81)
Net cash inflows/(outflows) from operating activities	<u>3,577</u>	<u>(2,163)</u>
CASHFLOWS FROM INVESTING ACTIVITIES		
Acquisition of plant, property and equipment ("PPE")	(1,447)	(1,160)
Proceeds from disposal of PPE	102	54
Withdrawal of fixed deposit	-	7
CASHFLOWS FROM FINANCING ACTIVITIES		
Repayment of long term liabilities	0	(279)
Proceeds/(repayment) from short term borrowings	(619)	(1,507)
Movement of margin deposits	112	-
NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS	<u>1,725</u>	<u>(5,048)</u>
CASH & CASH EQUIVALENTS BROUGHT FORWARD	2,457	7,505
CASH & CASH EQUIVALENTS CARRIED FORWARD	<u>4,182</u>	<u>2,457</u>
Cash and Cash Equivalents at end of financial period comprise of the following:		
	As At 31 Mar'21 (RM'000)	As At 31 Mar'20 (RM'000)
Cash and Bank Balances	6,943	5,951
Less Fixed Deposit Pledged to Bank	(975)	(1,088)
Bank Overdrafts (included within Short Term Borrowings)	(1,786)	(2,406)
	<u>4,182</u>	<u>2,457</u>

(THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020)

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 MARCH 2021

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 2020. 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 2020 except for the adoption of the followings that are effective for this financial year:

Standards/IC Interpretations/Amendments	Effective Date
Amendments to MFRS 3 – Definition of a Business	1 January 2020
Amendments to MFRS 7 – Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 9 – Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 101 – Definition of Material	1 January 2020
Amendments to MFRS 108 – Definition of Material	1 January 2020
Amendments to MFRS 137 – Definition of Material	1 January 2020
Amendments to MFRS 139 – Interest Rate Benchmark Reform	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Amendments to MFRS 16 – Covid 16 – Related Rent Concessions	1 June 2020

The adoption of the above standards, IC interpretations and amendments do not have any material financial impact to the Group's financial statements.

The following new MFRSs, IC Interpretations and Amendments to MFRSs and IC Interpretations have been issued and are relevant but are not yet effective to the Group and the Company.

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NOTES TO THE INTERIM FINANCIAL REPORT
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Standards/IC Interpretations/Amendments	Effective Date
Amendments to MFRS 9, MFRS 139, MRFS 7, MRFS 4, MRFS 16 - Interest Rate Benchmark Reform – Phase 2	1 January 2021
Annual Improvements to MFRS Standards 2018 – 2020 Cycle: Amendments to MFRS 9 – Financial Instruments	1 January 2022
Amendments to MFRS 101 – Classification of Liabilities as Current or Non-current	1 January 2022
Amendments to MFRS 137 – Onerous Contracts-Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 116 – Proceeds Before Intended Use	1 January 2022
Amendments to MFRS 3 – Reference to Conceptual Framework	1 January 2022
Amendments to MFRS 101 – Classifications of Liabilities as Current Or Non-current	1 January 2023

The adoption of the above new MFRS and amendments are not expected to have any material financial impact to the Group's financial statements.

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
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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'21	FY'20	FY'21	FY'20	FY'22	FY'20	FY'21	FY'20	FY'21	FY'20
Revenue Revenue	12,797	14,466	1,373	1,183	15,295	15,293	(194)	(552)	29,271	30,390
Results Profit Before Tax	797	(1,417)	112	63	(348)	(521)	(84)	42	477	(1,833)

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.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
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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 were no material capital commitments not recognised in the interim financial statements.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 MARCH 2021

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 fourth quarter of RM3.4 million was 5% lower as compared with the corresponding quarter in the preceding year. The lower revenue was primarily due to lower demand for cheque books and statement printing.

A profit before tax for the fourth quarter of RM516,000 was reported as compared to a loss before tax of RM66,000 the corresponding quarter in the preceding year. The profit reported in the current quarter was due to higher margins earned in security and data printing as well as lower labour costs and factory overheads.

Commercial Printing

The revenue for the fourth quarter of RM463,000 was 128% higher as compared with the corresponding quarter in the preceding year. This was due to higher sales of paper products.

A profit before tax for the fourth quarter of RM100,000 was reported as compared to loss before tax of RM55,000 the corresponding quarter in the preceding year. The profit before tax in the current quarter was due to the higher sales as well as lower raw material utilisation.

Flexible Packaging

The revenue for the fourth quarter of RM3.9 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 fourth quarter of RM189,000 was reported as compared to a loss before tax of RM68,000 the corresponding quarter in the preceding year. The higher loss in the current quarter was due to higher raw material utilisation and factory overheads.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 MARCH 2021

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

	Current Qtr Ended 31 Mar 2021 (RM'000)	Preceding Qtr Ended 31 Dec 2020 (RM'000)
Revenue	7,756	7,550
Profit/(loss) Before Tax	389	72

The higher revenue this current quarter was primarily due to stronger sales from the business forms, data print and commercial print business segments. The higher profit in the current quarter was due to higher margins earned in abovementioned business segments through lower raw material utilisation and factory overheads.

B3. Prospects

- a) The Management expects performance in the next financial year to remain sluggish in view of the weaker demand and challenging economic environment caused by the COVID-19 pandemic.
- b) On 26 April 2021, the Company announced the proposed disposal of four parcels of land owned by two of its subsidiaries for a total cash consideration of RM91.1 million (“the Proposed Disposals”). The Group expects to realise a net gain of RM60.92 million from the Proposed Disposals. Further details on the Proposed Disposals are given in Note B7 below.

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
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B6. Tax

	Current Quarter Ended 31 Mar'21 RM'000	12 Months Cumulative YTD 31 Mar'21 RM'000
Income tax expense/(credit)	112	112

Higher income tax expense was incurred in the current quarter was primarily due to deferred taxation expenses of RM127,000.

B7. Status of Corporate Proposals

- a) On 26 April 2021, the Company announced the proposed disposal of four parcels of land (Lots 1,2,13 and 14) owned by two of its subsidiaries (“the Vendors”) for a total cash consideration of RM91.1 million (“the Proposed Disposals”). The purchaser of the lands is FCW Holdings Berhad (“the Purchaser”), a related party. Pursuant to the completion of the Proposed Disposals, the Company or its nominee will enter into tenancy agreements to rent Lots 1 and 2 for a period of 2 years with an option to renew the tenancies for a period of 1 year. The Company has proposed a special interim dividend of RM41 million to be distributed to the shareholders of the Company within 1 month from the completion of the sale of Lot 1.

The sale and tenancy agreements are subject to certain approvals being obtained. Among the approvals required are:

- (i) non-interested shareholders of the Company at an EGM to be convened;
- (ii) consent from the state authority for the transfer of the lands from the Vendors to the Purchaser;
- (iii) written confirmation from the Economic Planning Unit of the Prime Minister’s Department of Malaysia that its approval is not required and/or it does not have any objection for the Purchaser’s acquisition of the lands from the Vendors.

Subject to the fulfilment of all conditions precedent stipulated in the agreements and subject to all required approvals being obtained from the relevant authorities/parties, the Proposed Disposals is expected to be completed in the fourth quarter of 2021.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
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The full announcement can be viewed on the Company's website.

b) The Company intends to use the proceeds from the sale of lands in the following manner:-

	Expected utilisation timeframe from the receipt of proceeds	Amount (RM'000)
(i) Rental payments	Within 24 months	2,659
(ii) Special interim dividend	Within 1 month from completion of Proposed Disposal of Lot 1	41,000
(iii) Repayment of borrowings	Within 3 months	3,624
(iv) Estimated expenses	Immediate	500
(v) Working capital	Within 24 months	43,317
Total		91,100

B8. Group Borrowings and Debt Securities

Details of the Group's borrowings as follows:

	As At 31 Mar'21 RM'000
Short Term Borrowings – Secured	4,376
Long Term Borrowing – Secured	0

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.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 MARCH 2021

B11. Earnings Per Share (EPS)

Basic and Diluted Earnings Per Share

FY 2021	Quarter Ended 31 Mar'21	Cumulative 12 Months Ended 31 Mar'21
RM'000		
Profit/(Loss) for the Period attributable to owners of the parent	180	(308)
No. of Ordinary Shares	41,000	41,000
Earnings/ (loss) Per Share	0.44 sen	(0.75) sen

FY 2020	Quarter Ended 31 Mar'20	Cumulative 12 Months Ended 31 Mar'20
RM'000		
Profit/(Loss) for the Period attributable to owners of the parent	328	(1,900)
No. of Ordinary Shares	41,000	41,000
Earnings/ (loss) Per Share	0.80 sen	(4.63) 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 2020.

B13. Notes to the Comprehensive Income Statement

	Current Qtr 31 Mar'21 RM'000	12 Mths to Date 31 Mar'21 RM'000
a) Interest income	4	41
b) Other income (exclude interest income)	18	215
c) Interest expense	70	261
d) Depreciation and amortization	301	1,273
e) Provision for and write off of receivables	0	0

COMPUTER FORMS (MALAYSIA) BERHAD
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FOR THE FOURTH QUARTER ENDED 31 MARCH 2021

f) Provision for and write off of inventories	3	3
g) Gain and loss on disposal of quoted and unquoted investments or properties	0	0
h) Impairment of assets	1	1
i) Foreign exchange (gain)/loss	31	41
j) Gain or loss on derivatives	0	0
k) Exceptional items	0	0

By order of the Board

LEE YU JIN
Chief Financial Officer
27 May 2021