



COMPUTER FORMS (MALAYSIA) BERHAD

**INTERIM FINANCIAL REPORT ANNOUNCEMENT TO BURSA
MALAYSIA SECURITIES BERHAD**

AND

**PRESENTATION OF THE UNAUDITED FINANCIAL RESULT
FOR THE FIRST (1ST) QUARTER ENDED 31 DECEMBER 2023
TO THE AUDIT COMMITTEE**

28 FEBRUARY 2024

**INTERIM FINANCIAL REPORT ANNOUNCEMENT
TO BURSA MALAYSIA SECURITIES BERHAD**

INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 31 DECEMBER 2023

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 DECEMBER 2023**

(The figures are unaudited)

	Note	Individual Quarter (Unaudited) (Unaudited) 3 months ended		Cumulative Quarter (Unaudited) (Unaudited) 3 months ended	
		31 Dec 23 (RM'000)	31 Dec 22 (RM'000)	31 Dec 23 (RM'000)	31 Dec 22 (RM'000)
Continuing Operations:					
Revenue	A8	7,329	8,078	7,329	N/A
Cost of Sales		(7,099)	(6,512)	(7,099)	N/A
Gross Profit		230	1,566	230	N/A
Other Income		1,291	2,207	1,291	N/A
Administrative Expenses		(765)	(2,654)	(765)	N/A
Selling and Marketing Expenses		(410)	(341)	(410)	N/A
Other Expenses		(154)	(244)	(154)	N/A
Profit from operations		192	534	192	N/A
Finance Costs		(85)	(59)	(85)	N/A
Profit Before Tax	A8	107	475	107	N/A
Taxation	B6	(52)	(420)	(52)	N/A
Profit For The Period		55	55	55	N/A
Other Comprehensive Income		-	-	-	N/A
Total Comprehensive Income For The Period		55	55	55	N/A
Profit Attributable to:					
Owners of the parent		110	74	110	N/A
Non- Controlling Interest		(55)	(19)	(55)	N/A
		55	55	55	N/A
Total Comprehensive Income Attributable to:					
Owners of the parent		110	74	110	N/A
Non- Controlling Interest		(55)	(19)	(55)	N/A
		55	55	55	N/A
Earnings Per Share					
- Basic (sen)	B11	0.04	0.03	0.04	N/A
- Diluted (sen)	B11	0.04	0.02	0.04	N/A

Notes:

THE FINANCIAL YEAR END OF THE GROUP HAS BEEN CHANGED FROM 31 MARCH 2023 TO 30 SEPTEMBER 2023. AS SUCH, THERE ARE NO COMPARATIVE FIGURES FOR THE PRECEDING YEAR CORRESPONDING CUMULATIVE PERIOD.

THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME SHOULD BE READ IN CONJUNCTION WITH THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023.

INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 31 DECEMBER 2023

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

(The figures are unaudited)

	(Unaudited) As At 31 December 23 (RM'000)	(Audited) As At 30 September 23 (RM'000)
Note		
ASSETS		
<u>Non-Current Assets</u>		
Property, Plant and Equipment	1,611	1,715
Investment Properties	801	803
Investment in Quoted Shares	1,939	1,508
Right-of-use Assets	1,043	301
	5,394	4,327
<u>Current Assets</u>		
Inventories	7,279	8,044
Trade and Other Receivables	24,656	27,340
Tax Recoverable	392	429
Fixed Deposits	96,004	95,554
Cash and Bank Balances	1,898	1,692
	130,229	133,059
Total Assets	135,623	137,386
EQUITY AND LIABILITIES		
<u>Equity Attributable to Owners of The Parent</u>		
Share Capital	112,189	112,189
Retained Earnings	10,765	10,655
	122,954	122,844
Non-Controlling Interest	2,224	2,279
Total Equity	125,178	125,123
<u>Non-Current Liabilities</u>		
Deferred Taxation	111	111
Lease Liabilities	B8 786	132
Total Non-Current Liabilities	897	243
<u>Current Liabilities</u>		
Trade and Other Payables	4,915	4,628
Provision	365	1,052
Lease Liabilities	B8 277	184
Short-Term Borrowings	B8 3,988	6,156
Current Tax Liability	3	*
Total Current Liabilities	9,548	12,020
Total Liabilities	10,445	12,263
Total Equity and Liabilities	135,623	137,386
Net Assets Per Share (RM)	0.46	0.46

* Represent less than RM1,000

(THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023)

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(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 31 DECEMBER 2023

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 2023

(The figures are unaudited)

	<----- Attributable to Owner of the Parent ----->			Non- Controlling Interest (RM'000)	Total Equity (RM'000)
	Share Capital (RM'000)	Distributable Retained Earnings (RM'000)	Total (RM'000)		
<u>Unaudited</u>					
As at 1 October 2023	112,189	10,655	122,844	2,279	125,123
Total Comprehensive Income/(loss) For The Period	-	110	110	(55)	55
As at 31 December 2023	112,189	10,765	122,954	2,224	125,178
<u>Audited</u>					
<u>18 months ended 30 September 2023</u>					
As at 1 April 2022	41,000	22,675	63,675	2,395	66,070
Shares Issuance pursuant					
- Conversion of warrants	1,254	-	1,254	-	1,254
- Private Placement	69,935	-	69,935	-	69,935
Total Comprehensive Loss For The Period	-	(12,020)	(12,020)	(116)	(12,136)
As at 30 September 2023	112,189	10,655	122,844	2,279	125,123

Notes:

THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME SHOULD BE READ IN CONJUNCTION WITH THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023.

INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED 31 DECEMBER 2023

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 DECEMBER 2023
(The figures are unaudited)

	(Unaudited) 3 months ended 31 Dec 23 (RM'000)	(Audited) 18 months ended 30 Sept 23 (RM'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	107	(12,244)
Adjustments for:		
Depreciation of:		
property, plant and equipment	156	917
right-of-use assets	104	2,268
investment properties	2	94
Interest income	(795)	(2,624)
Interest expense	85	379
Expected credit loss	-	5,676
Inventories written off	-	110
Bad debts written off	-	29
Provision for deposit forfeited	-	687
Provision for dismantling costs	-	365
Reversal of expected credit loss	-	(72)
Reversal of depreciation of investment properties	-	(213)
Foreign exchange loss - unrealised	3	(1)
Loss on investment in quoted shares - realised	-	1,023
Gain on investment in quoted shares - unrealised	(431)	862
Operating loss before working capital changes	<u>(769)</u>	<u>(2,744)</u>
Working capital changes:		
Inventories	765	(487)
Receivables	2,691	(17,891)
Payables	(399)	1,672
Cash inflows/(outflows) from operations	<u>2,288</u>	<u>(19,450)</u>
Tax paid	(22)	(2,759)
Tax refunded	-	1,343
Interest paid	(85)	(314)
Interest received	795	2,550
Net cash inflows/(outflows) from operating activities	<u>2,976</u>	<u>(18,630)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(52)	(821)
Acquisition of investment properties	-	(395)
Acquisition of right-of-use assets	(845)	-
Acquisition of other investments	-	(6,055)
Proceeds from disposal of other investments	-	2,662
Placement of fixed deposits	(451)	(97,706)
Net cash outflows from investing activities	<u>(1,348)</u>	<u>(102,315)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances of lease liabilities	746	(2,331)
Proceeds from issuance of ordinary shares	-	71,706
Share issuance expenses	-	(517)
Repayment of borrowings	(2,135)	1,478
Net cash (outflows)/inflows from financing activities	<u>(1,389)</u>	<u>70,336</u>
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	<u>239</u>	<u>(50,609)</u>
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	<u>(737)</u>	<u>49,872</u>
CASH & CASH EQUIVALENTS AT THE END OF THE PERIOD	<u><u>(498)</u></u>	<u><u>(737)</u></u>

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 DECEMBER 2023
(The figures are unaudited)

	(Unaudited) 3 months ended 31 Dec 23 (RM'000)	(Audited) 18 months ended 30 Sept 23 (RM'000)
Cash and cash equivalents at end of the financial period comprise of the following:		
Cash and bank balances	1,898	1,692
Bank overdrafts	(2,396)	(2,429)
	<u>(498)</u>	<u>(737)</u>

Notes:

THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME SHOULD BE READ IN CONJUNCTION WITH THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023.

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NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST (1ST) QUARTER ENDED 31 DECEMBER 2023

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) No. 134: Interim Financial Reporting and Rules 9.22(2) and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirement”).

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 September 2023 and the accompanying explanatory notes attached to this interim financial report.

The accounting policies adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 September 2023. The Group has adopted those standards, amendments and interpretations that have become effective and such adoptions do not have material impact on the financial position and performance of the Group.

As announced on 29 March 2023, the Company has changed its financial year end from 31 March 2023 to 30 September 2023. The current financial period covers 3 months period from 1 October 2023 to 31 December 2023. There will be no comparison figures for the cumulative quarters and the current quarter results will be compared to the results of the preceding year corresponding quarter accordingly.

Adoption of new and amended standard

During the financial period, the Group has adopted the following amendments for MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatory for current financial period.

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Adoption of the above amendments to MFRSs did not have any significant impact on the financial statements of the Group.

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A1. Basis of preparation (Cont'd)

Standards issued but not yet effective

The Group has not applied the following standards, amendments and interpretations under MFRS framework that have been issued by the MASB as they have yet to be effective for the Group.

MFRSs and IC Interpretations (Including The Consequential Amendments)	Effective dates for financial period beginning on and after
Amendments to MFRS 107 and MFRS 7 Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 101 Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 16 Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 121 Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128 Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

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 Cash flows

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 financial year that had a material effect on the current financial quarter and financial period to date.

A5. Auditors' report of preceding annual audited financial statements

The audited financial statements of the Group for the financial year ended 30 September 2023 were not subject to any qualification.

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A6. 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 current financial quarter and financial period to date.

A7. Dividends Paid

There was no dividend paid during the current quarter under review.

A8. Operating Segmental Information

The Group's reportable segments comprise of business forms and data print services, commercial printing, flexible packaging and others.

For each reportable segment, the Group's chief operating decision makers which is the Board of Directors of the Company, reviews internal management reports on quarterly basis.

(Unaudited) 3 Months Current Quarter 31 December 2023	Business Forms and Data Print Services RM'000	Commercial Printing RM'000	Flexible Packaging RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue						
External revenue	2,821	293	4,215	-	-	7,329
Inter-segment revenue	27	-	-	-	(27)	-
Total revenue	<u>2,848</u>	<u>293</u>	<u>4,215</u>	<u>-</u>	<u>(27)</u>	<u>7,329</u>
Results						
Other income	531	464	112	217	(33)	1,291
(Loss)/Profit from operations	(663)	56	(513)	(12)	33	(1,099)
Finance costs	(29)	-	(56)	-	-	(85)
Profit before tax						<u>107</u>
Taxation						<u>(52)</u>
Profit for the period						<u>55</u>

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A8. Operating Segmental Information (Cont'd)

(Unaudited) 3 Months Current Quarter 31 December 2022	Business Forms and Data Print Services RM'000	Commercial Printing RM'000	Flexible Packaging RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue						
External revenue	3,181	1,680	3,217	-	-	8,078
Inter-segment revenue	34	5	15	-	(54)	-
Total revenue	<u>3,215</u>	<u>1,685</u>	<u>3,232</u>	<u>-</u>	<u>(54)</u>	<u>8,078</u>
Results						
Other income	389	50	107	1,661	-	2,207
(Loss)/Profit from operations	(759)	942	(411)	(1,445)	-	(1,673)
Finance costs	(22)	-	(37)	-	-	(59)
Profit before tax						<u>475</u>
Taxation						(420)
Profit for the period						<u>55</u>

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A9. Valuation of Property, Plant and Equipment

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

A10. Material Subsequent Events

There were no material events subsequent to the end of the current quarter and financial period to date that have not been reflected in the financial statements for the interim period.

A11. Effect of Changes in the Composition of the Group

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

A12. Capital Commitments

There were no material capital commitments not recognised in the interim financial statements except for:-

	(Unaudited) As at 31.12.23 RM'000	(Unaudited) As at 31.12.22 RM'000
Authorised and contracted for		
- Property, plant and equipment	6,521	36,539

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A13. Contingent liabilities and contingent assets

Since the last annual balance sheet date, there were no contingent liabilities and contingent assets as at the date of this interim financial report that are expected to have an operational or financial impact on the current financial period to date, except for:-

	(Unaudited) As at 31.12.23 RM'000	(Unaudited) As at 31.12.22 RM'000
Secured		
Bank guarantees given to third parties	247	247

A14. Significant Related Party Transactions

There were no significant related party transactions in the current period and financial period to date.

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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

Current Quarter (3 months)

	Individual Quarter (Unaudited) 31 Dec 2023 RM'000	Individual Quarter (Unaudited) 31 Dec 2022 RM'000	Changes (RM'000 / %)
Revenue	7,329	8,078	(749)/ (9.27%)
Operating loss	(1,099)	(1,673)	574/ 34.31%
Profit before interest and tax	192	534	(342)/ (64.04%)
Profit before tax	107	475	(368)/ (77.47%)
Profit after tax	55	55	-/ 0%
Profit attributable to owners of the Company	110	74	36/ 48.65%

For the current quarter ended 31 December 2023, the Group recorded revenue of RM7.33 million as compared to RM8.08 million in the corresponding quarter, a decrease of RM0.75 million or 9.27%. The lower revenue was mainly due to a decrease in revenue contribution from business forms and data print services business segment and commercial printing business segment.

The Group recorded profit before tax of RM0.11 million in the current quarter as compared to profit before tax of RM0.48 million in the corresponding quarter, a decrease of RM0.37 million or 77.47%. The drop of profit before tax was mainly due to higher labour costs, overhead costs and depreciation in current quarter.

Business Forms and Data Print Services

The revenue of this segment contributed RM2.82 million in the current quarter. It was 11.32% lower as compared with the corresponding quarter. This decrease was mainly due lower demand for security products, data print services and business forms.

This segment reported loss before tax of RM0.16 million in the current quarter, which was RM0.23 million lower in loss before tax as compared with the corresponding quarter. The decrease in loss before tax was mainly due to lower of staff costs and professional fee incurred in the current quarter.

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B1. Review of Performance of Operating Segments (Cont'd)

Current Quarter (3 months) (Cont'd)

Commercial Printing

The revenue of this segment contributed RM0.29 million in the current quarter. It was 82.56% drop in revenue as compared with the corresponding quarter. The lower revenue was due to reduce service orders from cigarette papers and other service in current quarter.

The profit before tax for the current quarter was RM0.52 million. There was RM0.47 million lower in profit before tax as compared with the corresponding quarter. The lower profit before tax was due to in the absence of non-recurring unrealised gain on investment in quoted shares amounting to RM0.43 million in the current quarter as it had been recognised in corresponding quarter.

Flexible Packaging

This segment registered a revenue of RM4.22 million in the current quarter. It was 31.02% higher in revenue as compared with the corresponding quarter. The higher revenue was mainly due to increase in service orders of printed lamination wraps and other services.

A loss before tax for the current quarter was RM0.46 million. There was RM0.12 million higher in loss before tax as compared with the corresponding quarter. The higher loss before tax was mainly due to higher labour costs, overhead costs and depreciation incurred in the current quarter.

B2. Comparison with Immediate Preceding Quarter's results

	<----- Quarter ended ----->			
	(Unaudited)	(Unaudited)		
	31 Dec 2023 RM'000	30 Sept 2023 RM'000	Changes RM'000	Changes %
Revenue	7,329	7,491	(162)	(2.16)
Operating loss	(1,099)	(8,169)	7,070	86.55
Profit/(Loss) before interest and tax	192	(7,373)	7,565	102.60
Profit/(Loss) before tax	107	(7,450)	7,557	101.44
Profit/(Loss) after tax	55	(6,788)	6,843	100.81
Profit/(Loss) attributable to owner of the Company	110	(6,692)	6,802	101.64

For the current quarter ended 31 December 2023, the Group recorded revenue of RM7.33 million and profit before tax of RM0.11 million as compared to revenue of RM7.49 million and loss before tax of RM7.45 million registered in the immediate preceding quarter ended 30 September 2023.

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B2. Comparison with Immediate Preceding Quarter's results (Cont'd)

The revenue in the current quarter was 2.16% lower than revenue registered in the immediate preceding quarter. The decrease in revenue was mainly due to lower revenue reported by our business forms & data print services business segment. The profit before tax reported in the current quarter was RM0.11 million, improved by RM7.56 as compare to immediate preceding quarter. The improvement in profit before tax was mainly due to in the absence of non-recurring expected credit loss and provision for dismantling cost which incurred in immediate preceding quarter.

B3. Prospects

The Management expects performance in the next financial quarters to remain sluggish in view of the weaker demand and challenging economic environment caused by rising raw material prices, higher oil prices and the stronger US dollar.

The Group has carried out some positive strategies as below to mitigate the above risks:

(a) Penetrate into electric vehicle industry

The new subsidiary, CFM Energy Sdn. Bhd. will allow the Group to diversify into the electric vehicle ("EV") industry which is expected to provide sustainable income stream in addition to the Group's current income stream.

The EV market in Malaysia is estimated to expand. One of the major determinants for the surging growth in coming years is attributed to the government initiatives and policies supporting the electric vehicle industry such as exemption of import duty for components used in locally-assembled EV until December 2027; full excise tax and sales tax exemptions for completely-knocked down EV as well as the extended duty exemptions for completely built-up to December 2025; Malaysia-based manufacturers of EV charging infrastructure are exempted from income tax at 100% up to 2032 as well as manufacturers of EV charging equipment are also entitled to 100% investment tax allowance for a period of 5 years. In addition, personal tax relief of up to RM2,500 for the costs of the purchase, installation, rental, and subscription fees for electric vehicle charging facilities for income tax assessment years up to 2027 will catalyze the growth of the industry.

The Group believe these measures will contribute to overall positive prospects in the coming years as the cost to purchase EV is reduced and offers better competition against internal combustion engine cars.

(b) Relocation of factories and upgrade of machineries

The Group needs to acquire 2 factory buildings and to relocate its operations to avoid interruption of company business. The Group needs to invest new machineries and equipment to enhance the efficient operation of the business as most of the existing equipment and machineries are more than 20 years old.

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B3. Prospects (Cont'd)

(c) Stay up to date with industry trends

Continuously monitor industry trends and technological advancements in the printing sector. This allows the Group to adapt business plan to incorporate emerging technologies and stay ahead of the competition.

(d) Enhance customer experience

Focus on providing exceptional customer service throughout the entire servicing process. Ensure prompt responses to inquiries, offer reliable delivery and maintain consistent services quality. Actively seek feedback from clients and make necessary improvements to exceed their expectations. Satisfied customers are more likely to return and refer our services to others.

(e) Provide value-added services

Expand the Group offerings beyond printing by providing some related value-added services. It can increase customer loyalty and generate additional revenue.

(f) Embrace digitalization

Incorporate digital technologies into the Group's printing processes. Invest in high-quality digital printers, software solutions for workflow automation. This allows the Group to streamline operations, reduce costs and offer faster turnaround times to customers.

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.

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B6. Taxation

	Individual Quarter Ended		Cumulative Quarter Ended	
	(Unaudited) 31 December 2023 RM'000	(Unaudited) 31 December 2022 RM'000	(Unaudited) 31 December 2023 RM'000	(Unaudited) 31 December 2022 RM'000
Income tax:-				
Current financial period	(52)	(420)	(52)	NA
Total tax expense	(52)	(420)	(52)	NA

The effective tax rate of the Group for the current and cumulative quarter and financial period to date is higher than the statutory tax rate mainly due to there were certain non-tax deductible expenses in the financial report.

B7. Status of Corporate Proposals

(I) Status of utilisation of proceeds raised from corporate proposals

- a) The Company has used the proceeds from the sale of lands in 2021 in the following manner:-

Utilisation of proceeds	Intended timeframe for utilisation from 15 September 2021	Actual proceeds raised (RM'000)	Actual utilisation up to 22/02/2024 (RM'000)	Balance available for utilisation (RM'000)
(i) Rental payments	Within 24 months	2,659	(2,659)	-
(ii) Special interim dividend	Within 1 month from completion of Proposed Disposal of Lot 1	41,000	(41,000)	-
(iii) Repayment of borrowings	Within 1 month from completion of Proposed Disposal of Lot 1	3,624	(3,624)	-
(iv) Estimated expenses	Immediate	500	(500)	-
(v) Working capital / future investment	Within 36 months (Note #)	43,317	(23,317)	20,000
Total		91,100	(70,101)	20,000

There was no deviation between the approved utilization amount and actual utilized amount.

Note #:

This extended timeframe had announced on 14 September 2023.

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B7. Status of Corporate Proposals (Cont'd)

(I) Status of utilisation of proceeds raised from corporate proposals (Cont'd)

- b) The Company has used the proceeds from the Private Placement in the following manner:-

Utilisation of proceeds	Intended timeframe for utilisation from 07 September 2022	Actual proceeds raised (RM'000)	Actual utilisation up to 22/02/2024 (RM'000)	Balance available for utilisation (RM'000)
(i) Capital expenditure of the Group	Within 18 months	70,847	(69,634)	1,213
(ii) Estimated expenses for the Proposals	Immediate	859	(859)	-
Total		71,706	(70,493)	1,213

There was no deviation between the approved utilization amount and actual utilized amount.

B8. Borrowings and Lease Liabilities

The Group's borrowings and lease liabilities, all repayable in Ringgit Malaysia and secured, as at the end of the quarter under review are as follows:

	As at 31 Dec 2023 (Unaudited)		
	Long term RM'000	Short term RM'000	Total RM'000
Secured			
(i) Bank borrowings			
Banker acceptances	-	1,592	1,592
Bank overdrafts	-	2,396	2,396
	-	3,988	3,988
(ii) Lease liabilities	786	277	1,063
Grand total	786	4,265	5,051

The Group does not have any foreign currency denomination bank borrowings and debt securities as at the current reporting period.

B9. Changes in Material Litigation

As at 22 February 2024 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report), the Group is not involved in any litigations or arbitrations, either as a defendant or plaintiff, which has a material effect on the financial position of the Group, and the Board is not aware of any proceedings pending or of any fact likely to give rise to any proceedings.

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B10. Dividend Proposed/Declared

There was no dividend proposed/declared for the current financial period under review.

B11. Earnings Per Share

a) Basic Earnings Per Share

	Individual Quarter		Cumulative Quarter	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	31 Dec 23	31 Dec 22	31 Dec 23	31 Dec 22
Profit attributable to owners of the Company (RM'000)	110	74	110	N/A
Weighted average number of shares in issue ('000)	267,581	259,304	267,581	N/A
Basic ⁽¹⁾ Earnings per share (sen)	0.04	0.03	0.04	N/A

b) Diluted Earnings Per Share

	Individual Quarter		Cumulative Quarter	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	31 Dec 23	31 Dec 22	31 Dec 23	31 Dec 22
Profit attributable to owners of the Company (RM'000)	110	74	110	N/A
Weighted average number of shares in issue ('000)	267,581	259,304	267,581	N/A
Effective of dilution from conversion of warrants ('000)	-	130,500	-	N/A
Adjusted weighted average number of share in issue ('000)	267,581	389,804	267,581	N/A
Diluted ⁽²⁾ Earnings per share (sen)	0.04	0.02	0.04	N/A

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B11. Earnings Per Share (Cont'd)

Notes:

- (1) Basic earnings per share for the quarter and cumulative quarter is calculated based on the net profit attributable to owners of the Company divided by the weighted average number of ordinary shares for the quarter and cumulative quarter respectively.
- (2) Diluted earnings per share of the Company for the current quarter and cumulative quarter is equivalent to the basic earnings per share as the effects on the assumed exercise of the share options under warrants are anti-dilutive.

B12. Financial Instruments

- (a) Derivatives
There were no outstanding derivatives as at 31 December 2023.
- (b) Gain/(Loss) arising from fair value changes in financial liabilities
There were no gain/(loss) arising from fair value changes in financial liabilities during the current quarter and period to date.

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B13. Disclosure on selected expense/ (income) items as required by the Listing Requirements

	(Unaudited) Current Quarter ended 31 Dec 23 RM'000	(Unaudited) Cumulative Quarter 31 Dec 23 RM'000
Profit before taxation is arrived after charging/ (crediting):-		
a) Interest income	(795)	(795)
b) Other income (exclude interest income)	(98)	(98)
c) Interest expense	85	85
d) Depreciation of property, plant and equipment	156	156
e) Depreciation of right-of-use assets	104	104
f) Depreciation of investment properties	2	2
g) Impairment loss	-	-
h) Inventories written off	-	-
i) Gain on disposal of quoted shares		
- realised	-	-
- unrealised	(431)	(431)
j) Foreign exchange (gain)/loss		
- realised	(2)	(2)
- unrealised	3	3
k) Gain or loss on derivatives	-	-
l) Other material item not disclosed above	-	-

BY ORDER OF THE BOARD
28 February 2024