



CENSOF HOLDINGS BERHAD
Company No: 828269-A
(Incorporated in Malaysia)

Unaudited Condensed Consolidated Financial Statement for the Financial Year 2020
First Quarter Ended 30 June 2019



CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	UNAUDITED INDIVIDUAL QUARTER	UNAUDITED 3 Months Ended 30/06/2018 RM'000	UNAUDITED CUMULATIVE PERIOD	UNAUDITED 3 Months Ended 30/06/2019 RM'000
Revenue	13,197	17,439	13,197	17,439
Cost of sales	(5,873)	(7,573)	(5,873)	(7,573)
Gross profit	7,324	9,866	7,324	9,866
Other income	308	290	308	290
Administrative expenses	(6,672)	(8,133)	(6,672)	(8,133)
Other expenses	(236)	(244)	(236)	(244)
Results from operating activities	724	1,779	724	1,779
Finance costs	(753)	(1,035)	(753)	(1,035)
(Loss) / Profit before share of associates result	(29)	744	(29)	744
Share of associates result	2,002	1,973	2,002	1,973
Profit before tax and zakat	1,973	2,717	1,973	2,717
Income tax expense	(79)	(273)	(79)	(273)
Net profit for the financial period	1,894	2,444	1,894	2,444
Other comprehensive income	575	(662)	575	(662)
Total comprehensive income for the financial period	2,469	1,782	2,469	1,782
Net profit attributable to:				
Equity holders of the Company	1,797	2,291	1,797	2,291
Non-controlling interests	97	153	97	153
	1,894	2,444	1,894	2,444
Total comprehensive income attributable to:				
Equity holders of the Company	2,372	1,629	2,372	1,629
Non-controlling interests	97	153	97	153
	2,469	1,782	2,469	1,782
Earnings per share attributable to equity holders of the Company:				
Basic (sen)	0.36	0.46	0.36	0.46
Diluted (sen)	0.29	0.37	0.29	0.37

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2019.



CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2019

	UNAUDITED As At 30/06/2019 RM'000	AUDITED As At 31/03/2019 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,154	2,158
Intangible assets	20,046	19,542
Goodwill	29,039	29,039
Investments	100	100
Investment in associate	97,958	95,462
Deferred tax asset	185	-
	<u>149,482</u>	<u>146,301</u>
Current assets		
Inventories	43	44
Trade receivables	22,192	20,321
Other receivables, deposits and prepayments	3,996	4,340
Amount owing by related parties	884	1,184
Current tax assets	609	697
Fixed deposits placed with licensed banks	6,554	9,991
Cash and bank balances	5,399	6,591
	<u>39,677</u>	<u>43,168</u>
TOTAL ASSETS	<u>189,159</u>	<u>189,469</u>
EQUITY AND LIABILITIES		
Equity attributable to Equity Holders		
Share capital	100,575	100,575
Merger deficit	(12,300)	(12,300)
Retained profits	44,778	42,982
Foreign exchange translation reserve	(858)	(1,449)
Share option reserve	167	168
	<u>132,362</u>	<u>129,976</u>
Non-controlling interests	<u>4,010</u>	<u>3,914</u>
Total equity	<u>136,372</u>	<u>133,890</u>



CENSOF HOLDINGS BERHAD
(Company No. 828269-A)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2019 (Continued)

	UNAUDITED	AUDITED
	As At	As At
	30/06/2019	31/03/2019
	RM'000	RM'000
Non-current liabilities		
Long term borrowings	15,937	16,008
Deferred taxation	1,355	1,260
	<u>17,292</u>	<u>17,268</u>
Current liabilities		
Trade payables	993	2,401
Other payables and accruals	4,305	5,567
Amount owing to a related party	48	48
Short term borrowings	21,184	21,192
Deferred income	3,749	4,005
Bank overdrafts	3,922	3,563
Provision for taxation	1,294	1,535
	<u>35,495</u>	<u>38,311</u>
Total liabilities	<u>52,787</u>	<u>55,579</u>
TOTAL EQUITY AND LIABILITIES	<u>189,159</u>	<u>189,469</u>
Net assets per share attributable to ordinary equity holders of the Company (sen)	26.37	25.89

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2019.



CENSO HOLDINGS BERHAD

(Company No. 828269-A)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	<div>← Attributable to Equity Holders of the Company →</div> <div>← Non-Distributable → Distributable</div>								
	Share Capital	Share Premium	Merger Deficit	Share Option Reserve	Translation Reserve	Retained Profits	Attributable to Owners of the Company	Non-controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
(UNAUDITED)									
At 1 April 2019	100,575	-	(12,300)	168	(1,449)	42,982	129,976	3,914	133,890
Profit after taxation	-	-	-	-	-	1,797	1,797	97	1,894
Other comprehensive income for the financial period:									
- Foreign currency translation differences	-	-	-	(1)	96	(1)	94	(1)	93
- Disposal of partial investment in subsidiary	-	-	-	-	-	-	-	-	-
- Share of other comprehensive income of associate	-	-	-	-	495	-	495	-	495
Total comprehensive income for the financial year	-	-	-	(1)	591	1,796	2,386	96	2,482
At 30 June 2019	100,575	-	(12,300)	167	(858)	44,778	132,362	4,010	136,372



CENSO HOLDINGS BERHAD

(Company No. 828269-A)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019 (Continued)

	Attributable to Equity Holders of the Company								
	Non-Distributable			Distributable					
	Share Capital RM'000	Share Premium RM'000	Merger Deficit RM'000	Share Option Reserve RM'000	Translation Reserve RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non-controlling Interest RM'000	Total Equity RM'000
(AUDITED)									
At 1 April 2018	50,196	50,379	(12,300)	1,037	(3,100)	42,380	128,592	7,251	135,843
- Adjustment on initial application of MFRS 9, net of tax	-	-	-	-	-	(329)	(329)	-	(329)
Adjusted balance as at 1 April 2018	50,196	50,379	(12,300)	1,037	(3,100)	42,051	128,263	7,251	135,514
Profit / (Loss) after taxation	-	-	-	-	-	681	681	(1,590)	(909)
Other comprehensive income:									
- Foreign currency translation differences	-	-	-	-	142	-	142	-	142
- Share of other comprehensive income of an equity accounted associate	-	-	-	-	1,521	-	1,521	-	1,521
Total comprehensive income	-	-	-	-	1,663	681	2,344	(1,590)	754
Contributions by and distributions to owners of the Company:									
- Accretion loss from changes in a subsidiary's ownership interests	-	-	-	-	-	1,581	1,581	(2,099)	(518)
- Share issued by a subsidiary to non-controlling interest	-	-	-	-	-	-	-	49	49
- Dividends by subsidiaries to NCI	-	-	-	-	-	-	-	(814)	(814)
- Transfer to share capital upon implementation of the Companies Act 2016	50,379	(50,379)	-	-	-	-	-	-	-
- Changes in a subsidiary's ownership interests that do no result in a loss of control	-	-	-	-	-	533	533	1,117	1,650
Total transactions with owners	50,379	(50,379)	-	-	-	2,114	2,114	(1,747)	367
Share of equity reserve of an associate	-	-	-	(869)	(12)	(1,864)	(2,745)	-	(2,745)
At 31 March 2019	100,575	-	(12,300)	168	(1,449)	42,982	129,976	3,914	133,890

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2019.



CENSOF HOLDINGS BERHAD
(Company No. 828269-A)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	UNAUDITED 3 Months Ended 30/06/2019 RM'000	UNAUDITED 3 Months Ended 30/06/2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,973	2,717
Adjustments for:		
Amortisation of intangible assets	882	1,241
Depreciation of plant and equipment	184	232
Gain on partial disposal of investment in subsidiary	-	(2)
Interest expense	753	1,035
Interest income	(88)	(43)
Share of results from an associate	(2,002)	(1,973)
Operating profit before working capital changes	<u>1,702</u>	<u>3,207</u>
Changes in working capital:		
Amount owing by contract customers	-	-
Inventories	1	(4)
Trade and other receivables	(1,527)	3,891
Trade and other payables	(2,670)	(4,669)
Deferred income	(256)	(195)
Amount owing to related party	300	122
Income tax paid	(106)	-
Finance cost	(753)	(1,035)
Net Operating Cash Flows	<u>(3,309)</u>	<u>1,317</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(180)	(956)
Purchase of treasury shares	-	(22)
Proceeds from disposal of partial interest on subsidiary	-	1,650
Intangible assets additions	(1,386)	(33)
Net Investing Cash Flows	<u>(1,566)</u>	<u>639</u>



CENSOF HOLDINGS BERHAD
(Company No. 828269-A)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019 (Continued)

	UNAUDITED 3 Months Ended 30/06/2019 RM'000	UNAUDITED 3 Months Ended 30/06/2018 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to non-controlling interests	-	(187)
Drawdown of term loan	-	22,000
Interest received	88	43
Repayment of hire purchase obligations	(79)	(101)
Repayment of term loan	-	(22,260)
Unpledged fixed deposits as security	3,228	-
Net Financing Cash Flows	<u>3,237</u>	<u>(505)</u>
Net change in cash and cash equivalents	(1,638)	1,451
Effect of foreign exchange translation	(122)	372
Cash and cash equivalents at the beginning of the financial year	9,059	(1,623)
Cash and cash equivalents at the end of the financial year	<u>7,299</u>	<u>200</u>
Analysis of Cash and Cash Equivalents		
Fixed deposits placed with licensed banks	6,554	4,597
Short term investments	-	70
Cash and bank balances	5,399	6,828
Bank overdrafts	(3,922)	(6,807)
	<u>8,031</u>	<u>4,688</u>
Less: Fixed deposits pledged as security	(732)	(4,488)
Total	<u>7,299</u>	<u>200</u>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2019.



CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

INTERIM REPORT FOR THE QUARTER ENDED 30 JUNE 2019

PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD ("FRS") 134 INTERIM FINANCIAL REPORTING

A1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with the requirements of MFRS 134 - Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 March 2019. These explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2019.

A2. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted by the Group in the quarterly financial statements are consistent with those adopted in the financial statements for financial year ended 31 March 2019. The Group has not applied in advance the following accounting standards and/or interpretations (*including the consequential amendments, if any*) that have been issued by the Malaysian Accounting Standard Board ("MASB") but are not yet effective for the current financial year:

MFRSs and IC Interpretations

MFRS 17	Insurance Contracts
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Amendments to MFRSs and IC Interpretations

MFRS 3	Business Combinations
MFRS 101	Presentation of Financial Statements
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors

The adoption of the above accounting standards and interpretations (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.

A3. AUDIT REPORT

The auditors issued an unqualified audit opinion on the financial statements for the financial year ended 31 March 2019.

A4. SEASONAL OR CYCLICAL FACTORS

The operations of the Group were not significantly affected by any seasonal or cyclical factors during the financial period under review.

A5. UNUSUAL SIGNIFICANT ITEMS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the financial period under review.

A6. CHANGES IN ESTIMATES

There were no major changes in estimates that have a material effect for the current quarter ended 30 June 2019.



CENSO HOLDINGS BERHAD

(Company No. 828269-A)

INTERIM REPORT FOR THE QUARTER ENDED 30 JUNE 2019

PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD (“FRS”) 134 INTERIM FINANCIAL REPORTING

A7. DEBT AND EQUITY SECURITIES

There were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period under review.

A8. DIVIDEND PAID

There was no payment of dividend in the current quarter.

A9. SEGMENTAL REPORTING

3 months ended 30 June 2019 (Current Financial Period)

Division	Revenue RM'000	Elimination RM'000	Consolidation RM'000	Profit/(Loss) Before Tax RM'000
FMS - G	7,374	-	7,374	1,642
PAS	65	-	65	(69)
WMS	1,394	-	1,394	158
TS	255	-	255	(593)
FMS - C	4,109	-	4,109	436
OTHERS	-	-	-	(1,603)
ASSOCIATE	-	-	-	2,002
TOTAL	13,197	-	13,197	1,973

FMS – G : Financial Management Solution – Government

PAS : Payment Aggregation Solutions

WMS : Wealth Management Solutions

TS : Training Solutions

FMS – C : Financial Management Solution – Commercial

ASSOCIATE : Investment in Associates – Dagang Nexchange Berhad (“DNeX”)

3 months ended 30 June 2018 (Previous Financial Period)

Division	Revenue RM'000	Elimination RM'000	Consolidation RM'000	Profit/(Loss) Before Tax RM'000
FMS - G	9,608	-	9,608	1,832
PAS	67	-	67	(46)
WMS	1,020	-	1,020	154
TS	3,029	-	3,029	890
FMS - C	3,715	-	3,715	(200)
OTHERS	585	(585)	-	(1,886)
ASSOCIATE	-	-	-	1,973
TOTAL	18,024	(585)	17,439	2,717



CENSOF HOLDINGS BERHAD

(Company No. 828269-A)

INTERIM REPORT FOR THE QUARTER ENDED 30 JUNE 2019

PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD ("FRS") 134 INTERIM FINANCIAL REPORTING

A10. SIGNIFICANT SUBSEQUENT EVENT

There was no significant event after the end of the quarter under review.

A11. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the current quarter ended 30 June 2019.

A12. CHANGES IN CONTINGENT LIABILITIES

As at 30 June 2019, the Group's contingent liabilities are as follows:-

- (a) Bank Guarantee
The Company has pledged a fixed deposit of RM0.3 million for a bank guarantee facility extended to a subsidiary company.
- (b) Corporate Guarantee
Corporate guarantees totaling RM8.6 million were issued to licensed banks for credit facilities granted to subsidiaries company.
- (c) Term Loans
 - (i) Kenanga Investment Bank Berhad loan outstanding is RM15 million, secured by way of 117,056,609 DNeX shares.
 - (ii) MIDF Amanah Investment Bank Berhad loan outstanding is RM21 million, secured by way of 158,000,000 DNeX shares and third-party shares.

**CENSOF HOLDINGS BERHAD**

(Company No. 828269-A)

INTERIM REPORT FOR THE QUARTER ENDED 30 JUNE 2019**PART A – EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD
("FRS") 134 INTERIM FINANCIAL REPORTING****A13. CAPITAL COMMITMENTS**

The Group does not have any material commitment for capital expenditure for the current quarter ended 30 June 2019.

A14. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Identity of related parties:

The Company has related party relationship with:

- (i) an entity controlled by certain key management personnel; and
- (ii) the directors and certain members of senior management of the Company who are the key management personnel.

(b) The Group carried out the following significant transaction with its related parties during the financial period under review:-

	3 Months Ended 30/06/2019 RM'000	3 Months Ended 30/06/2019 RM'000
Related Parties		
Office rental *	141	141
Key Management Personnel		
Directors		
- Fees	106	106
- Non-fee emoluments	419	419

The transaction was contracted in the normal course of business and concluded under negotiated terms.

* -*Inventrix Sdn Bhd – is a company controlled by common Directors namely Tamil Selvan A/L M. Durairaj, Ameer Bin Shaik Mydin and Ang Hsin Hsien.*



CENSO HOLDINGS BERHAD

(Company No. 828269-A)

INTERIM REPORT FOR THE QUARTER ENDED 30 JUNE 2019

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. OPERATING SEGMENTS REVIEW

REVIEW OF PERFORMANCE AGAINST PREVIOUS YEAR CORRESPONDING QUARTER

	INDIVIDUAL PERIOD				CUMULATIVE PERIOD			
	3 Months Ended 30/06/2019	3 Months Ended 30/06/2018	Changes		3 Months Ended 30/06/2019	3 Months Ended 30/06/2018	Changes	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	13,197	17,439	(4,242)	-24.3%	13,197	17,439	(4,242)	-24.3%
Operating Profit	724	1,779	(1,055)	-59.3%	724	1,779	(1,055)	-59.3%
Profit Before Interest and Tax	724	1,779	(1,055)	-59.3%	724	1,779	(1,055)	-59.3%
Profit Before Tax	1,973	2,717	(744)	-27.4%	1,973	2,717	(744)	-27.4%
Profit After Tax	1,894	2,444	(550)	-22.5%	1,894	2,444	(550)	-22.5%
Net Profit Attributable to Ordinary Equity Holders of the Company	1,797	2,291	(494)	-21.6%	1,797	2,291	(494)	-21.6%

The Group registered revenue of RM13.20 million for the current quarter under review compared to the previous year's corresponding quarter revenue of RM17.44 million. The lower revenue for the current quarter as compared to the previous year's corresponding quarter were mainly due to the lower contribution from TS segment with reduced training sessions in current quarter coupled with lower project revenue under FMS-G segment.

The Group recorded a lower profit before taxation of RM1.97 million for the current financial period compared to the previous corresponding financial period profit before taxation of RM2.72 million mainly attributed and impacted by the lower revenue registered by TS segment.



CENSO HOLDINGS BERHAD

(Company No. 828269-A)

INTERIM REPORT FOR THE QUARTER ENDED 30 JUNE 2019

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. OPERATING SEGMENTS REVIEW (Continued)

	INDIVIDUAL PERIOD				CUMULATIVE PERIOD			
	3 Months Ended 30/06/2019 RM'000	3 Months Ended 30/06/2018 RM'000	Changes		3 Months Ended 30/06/2019 RM'000	3 Months Ended 30/06/2018 RM'000	Changes	
			RM'000	%			RM'000	%
REVENUE								
FMS - G	7,374	9,608	(2,234)	-23.3%	7,374	9,608	(2,234)	-23.3%
PAS	65	67	(2)	-3.0%	65	67	(2)	-3.0%
WMS	1,394	1,020	374	36.7%	1,394	1,020	374	36.7%
TS	255	3,029	(2,774)	-91.6%	255	3,029	(2,774)	-91.6%
FMS - C	4,109	3,715	394	10.6%	4,109	3,715	394	10.6%
	<u>13,197</u>	<u>17,439</u>	<u>(4,242)</u>	<u>-24.3%</u>	<u>13,197</u>	<u>17,439</u>	<u>(4,242)</u>	<u>-24.3%</u>
PROFIT / (LOSS) BEFORE TAX								
FMS - G	1,642	1,832	(190)	-10.4%	1,642	1,832	(190)	-10.4%
PAS	(69)	(46)	(23)	-50.0%	(69)	(46)	(23)	-50.0%
WMS	158	154	4	2.6%	158	154	4	2.6%
TS	(593)	890	(1,483)	>-100%	(593)	890	(1,483)	>-100%
FMS - C	436	(200)	636	>100%	436	(200)	636	>100%
OTHERS	(1,603)	(1,886)	283	15.0%	(1,603)	(1,886)	283	15.0%
ASSOCIATE	2,002	1,973	29	1.5%	2,002	1,973	29	1.5%
	<u>1,973</u>	<u>2,717</u>	<u>(744)</u>	<u>-27.4%</u>	<u>1,973</u>	<u>2,717</u>	<u>(744)</u>	<u>-27.4%</u>



CENSO HOLDINGS BERHAD

(Company No. 828269-A)

INTERIM REPORT FOR THE QUARTER ENDED 30 JUNE 2019

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. OPERATING SEGMENTS REVIEW (Continued)

For the current year to date, revenue decreased by 23.3% to RM13.20 million, mainly from the significant lower contribution by the TS segment, arising from the Government's on-going review in relation to the Industry 4.0 training allocations.

In line with the dropped of revenue, the current year to date profit before taxation was reduced by 27.4% to RM1.97 million.

B2. MATERIAL CHANGES IN CURRENT QUARTER'S RESULT AS COMPARED TO PRECEDING QUARTER

	INDIVIDUAL PERIOD			
	3 Months Ended 30/06/2019 RM'000	3 Months Ended 31/03/2019 RM'000	Changes	
			RM'000	%
Revenue	13,197	14,461	(1,264)	-8.7%
Operating Profit / (Loss)	724	(858)	1,582	>100.0%
Profit / (Loss) Before Interest and Tax	724	(858)	1,582	>100.0%
Profit / (Loss) Before Tax	1,973	(2,708)	4,681	>100.0%
Profit / (Loss) After Tax	1,894	(2,586)	4,480	>100.0%
Net Profit / (Loss) Attributable to Ordinary Equity Holders of the Company	1,797	(1,737)	3,534	>100.0%

In the current quarter, the Group registered a lower revenue of 8.7% over the preceding quarter. However, the profit before tax improved to RM1.97 million against the preceding quarter loss before tax of RM2.71 million.



CENSO HOLDINGS BERHAD

(Company No. 828269-A)

INTERIM REPORT FOR THE QUARTER ENDED 30 JUNE 2019

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B2. MATERIAL CHANGES IN CURRENT QUARTER'S RESULT AS COMPARED TO PRECEDING QUARTER (Continued)

	INDIVIDUAL PERIOD				INDIVIDUAL PERIOD			
	3 Months	3 Months	Changes		3 Months	3 Months	Changes	
	Ended	Ended			Ended	Ended		
	30/06/2019	31/03/2019	RM'000	%	30/06/2019	31/03/2019	RM'000	%
	RM'000	RM'000			RM'000	RM'000		
	REVENUE				PROFIT/(LOSS) BEFORE TAX			
FMS - G	7,374	10,456	(3,082)	-29.5%	1,642	3,211	(1,569)	-48.9%
PAS	65	(231)	296	>100.0%	(69)	(25)	(44)	>-100.0%
WMS	1,394	377	1,017	>100.0%	158	(1,623)	1,781	>100.0%
TS	255	32	223	>100.0%	(593)	(1,529)	936	61.2%
FMS - C	4,109	4,064	45	1.1%	436	217	219	>100.0%
OTHERS	-	(237)	237	-	(1,603)	(1,841)	238	-12.9%
ASSOCIATE	-	-	-	-	2,002	(1,118)	3,120	>100.0%
	13,197	14,461	(1,264)	-8.7%	1,973	(2,708)	4,681	>100.0%

The Group recorded lower revenue of RM13.20 million for the current quarter as compared to RM14.46 million in the preceding quarter mainly due to the slower sales for the FMS-G segment. Overall, with the exception of the FMS-G and PAS segment, all other business segments recorded improved profit constitutions.



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B3. CURRENT FINANCIAL YEAR PROSPECTS

The Board expects a more challenging business landscape and the prospects for the rest of the year will depend principally on the both of Government and Local Council timely adoption of the cloud based financial solutions by using Acumatica technology applications.

B4. STATEMENT OF THE BOARD OF DIRECTORS' OPINION ON ACHIEVEABILITY OF FINANCIAL ESTIMATE, FORECAST, PROJECTION AND INTERNAL TARGETS PREVIOUSLY ANNOUNCED

This is not applicable to the Group.

B5. FINANCIAL ESTIMATE, FORECAST OR PROJECTION / PROFIT GUARANTEE

There was no financial estimate, forecast or projection and profit guarantee issued by the Group.

B6. TAXATION

Taxation comprises the following:

	3 Months Ended 30/06/2019 RM'000	3 Months Ended 30/06/2019 RM'000
Current tax	79	79

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There were no disposals of unquoted investments and/or properties held by the Group as at the date of this interim report.

B8. PURCHASE AND/OR DISPOSAL OF QUOTED SECURITIES

There were no purchase or disposal of quoted securities by the Group during the current quarter under review.

RM'000

Quoted investment at cost as at 30 June 2019 58,080

B9. GROUP BORROWINGS

The details of the Group borrowings are as follows:

	RM Denomination		
	Long Term RM'000	Short Term RM'000	Total RM'000
Secured			
<u>As at 30 June 2019</u>			
Hire purchase	324	137	461
Term loans	15,613	21,047	36,660
Bank overdrafts	-	3,922	3,922
	<u>15,937</u>	<u>25,106</u>	<u>41,043</u>
<u>As at 31 March 2019</u>			
Hire purchase	358	137	495
Term loans	15,650	21,055	36,705
Bank overdrafts	-	3,563	3,563
	<u>16,008</u>	<u>24,755</u>	<u>40,763</u>

The bank overdrafts and term loans are secured by pledging of shares by the Company's major shareholders, Saas Global Sdn Bhd, DNeX Shares and fixed deposits of the Company pledged to a licensed bank.

The Group had not made any repayment for term loan during the current quarter and the Group's gearing ratio remained the same as compared to 0.30 times at previous year's corresponding quarter.

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A total of 111,412,717 free Warrant were issued on 8 October 2014 and listed on 15 October 2014 with a 5 year exercise/conversion period at a price of RM0.46. The maturity date for the free Warrant B is 7 October 2019.

As at to-date a total of 7,500 Warrant B have been converted into shares.

Date	No of Warrants	No of Shares Issues	Proceeds RM	Listing Date
14 August 2013	10,000,000	10,000,000	4,600,000	15 August 2013
19 September 2013	3,527,800	3,527,800	1,622,788	20 September 2013
30 October 2013	1,875	1,875	863	31 October 2013
14 July 2017	35,000	35,000	16,100	17 July 2017
20 July 2017	20,000	20,000	9,200	21 July 2017
	<u>13,584,675</u>	<u>13,584,675</u>	<u>6,248,951</u>	

All proceeds have been deposited into Censof Warrant B account and the proceeds were used for working capital purposes.

As at reporting date, the outstanding unexercised Warrant B is 111,405,217.

B11. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at the date of this interim report.

B12. DERIVATIVES FINANCIAL INSTRUMENTS

There were no derivatives financial instruments as at the date of this interim report.

B13. MATERIAL LITIGATION

As at 22 August 2019, being 7 days prior to the date of this report, there has been no material litigation pending of which the value exceeds 5% of the Group's net tangible assets.

B14. DIVIDEND

No interim dividend has been declared for the current quarter under review.



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B15. EARNINGS PER SHARE

Basic earnings per share

The basic earnings per share has been calculated by dividing the net profit for the financial period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue.

INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
3 Months Ended 30/06/2019	3 Months Ended 30/06/2018	3 Months Ended 30/06/2019	3 Months Ended 30/06/2018

Net profit attributable to ordinary equity holders of the Company (RM'000)

1,797 2,291 1,797 2,291

Number of ordinary shares in issue ('000)

501,956 501,956 501,956 501,956

Basic earnings per share (sen)

0.36 0.46 0.36 0.46

Diluted earnings per share

INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
3 Months Ended 30/06/2019	3 Months Ended 30/06/2018	3 Months Ended 30/06/2019	3 Months Ended 30/06/2018

Net profit attributable to ordinary equity holders of the Company (RM'000)

1,797 2,291 1,797 2,291

Weighted average ('000)

Number of ordinary shares in issue

501,956 501,956 501,956 501,956

Adjustment for dilutive effect on Conversion of Warrants B

111,405 111,405 111,405 111,405
613,361 613,361 613,361 613,361

Basic earnings per share (sen)

0.29 0.37 0.29 0.37

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MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B16. NOTES TO THE CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

Total comprehensive income for the financial period was derived after charging/(crediting) the following items:

	3 Months Ended 30/06/2019 RM'000	3 Months Ended 30/06/2019 RM'000
Depreciation and amortisation	1,066	1,066
Finance costs	753	753
Interest income	(88)	(88)

Other than as disclosed above, the Group does not have any material items that were recognised as profit/loss in the Consolidated Statements of Comprehensive Income.

B17. AUTHORISATION FOR ISSUE

The interim financial statements were authorized for release by the Board of Directors as per the Board Meeting held on 29 August 2019.