



IFCA MSC BERHAD (453392-T)
(Incorporated in Malaysia)

PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

A1. BASIS OF PREPARATION

The interim financial reports of the Group have been prepared in accordance with FRS 134 "Interim Financial Reporting" and Chapter 9 of the Listing Requirements for the ACE Market of Bursa Malaysia Securities Berhad.

This interim financial report is unaudited and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2009. The following notes explain the 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 December 2009.

A2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2009.

The Group has adopted the following new FRSs and Interpretations:

FRSs and Interpretations	Effective for financial periods beginning on or after	
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 101	Presentation of Financial Statement (revised)	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
	Financial Instruments - Recognition and	
FRS 139	Measurement	1 January 2010
Amendments to FRS 1	First Time Adoption of Financial Reporting Standards and FRS 127: Consolidated and Separate Financial Statements: Cost of Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 132	Financial Statements: Presentation	1 January 2010
Amendments to FRS 139	Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosure and IC Interpretation 9: Reassessment of Embedded Derivatives	1 January 2010
Amendments to FRSs 'Improvements to FRSs(2009)'		
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010



IFCA MSC BERHAD (453392-T)
(Incorporated in Malaysia)

A3. AUDITOR'S REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditor's report on the financial statements for the year ended 31 December 2009 was not qualified.

A4. SEASONAL OR CYCLICAL FACTORS

The operations of the Group were not affected by any seasonal or cyclical factors.

A5. UNUSUAL ITEMS

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence during the current quarter.

A6. MATERIAL CHANGES IN ESTIMATES

The Group has not submitted any financial forecast or projections to any authorities during the current quarter and prior financial year ended 31 December 2009. As such, there is no change in estimates that had a material effect in the current quarter results.

A7. CHANGES IN DEBTS AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale, repayments of debt and/or securities, share held as treasury shares and resale of treasury shares during the financial period ended 30 September 2010.

A8. DIVIDENDS PAID

There were no dividends paid during the current quarter.



IFCA MSC BERHAD (453392-T)
(Incorporated in Malaysia)

A9 SEGMENTAL INFORMATION

Segmental information for the 9 months ended 30 September 2010 and 30 September 2009 are as follows:

	Malaysia		Overseas		Elimination		Consolidated	
	2010	2009	2010	2009	2010	2009	2010	2009
	RM	RM	RM	RM	RM	RM	RM	RM
REVENUE								
External sales	27,277,923	20,308,778	3,585,962	2,578,662	-	-	30,863,885	22,887,440
Inter-segment sales	12,005,030	4,467,172	-	-	(12,005,030)	(4,467,172)	-	-
Total Revenue	39,282,953	24,775,950	3,585,962	2,578,662	(12,005,030)	(4,467,172)	30,863,885	22,887,440
RESULT								
Operating results	6,785,812	2,696,193	(1,849,721)	(2,128,518)			4,936,091	567,675
Amortisation (unallocated)							(2,127,849)	(2,866,236)
Provision for doubtful debts							(418,008)	(945,834)
Finance costs							(59,633)	(26,739)
Profit/(Loss) before tax							2,330,602	(3,271,134)
Income tax expense							5,492	(188,248)
Profit/(Loss) for the period							2,336,094	(3,459,382)

A10. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

The valuations of property, plant and equipment have been brought forward without any material amendments from the previous financial statements.

A11. MATERIAL EVENTS SUBSEQUENT TO THE CURRENT QUARTER

There was no significant event arising in the period from 1 October 2010 to the date of this announcement, which will have a material effect on the financial results of the Group for the period under review.

A12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group.

A13. CONTINGENT LIABILITIES

The Group is not aware of any material contingent liabilities since the last annual balance sheet as at 31 December 2009.

A14. CAPITAL COMMITMENTS

There were no material capital commitments as at the date of this report.



IFCA MSC BERHAD (453392-T)
(Incorporated in Malaysia)

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS FOR THE ACE MARKET

B1. REVIEW OF YEAR-ON-YEAR PERFORMANCE

The Group's revenue for the third quarter ended 30 September 2010 increased by 7% to RM9.3 million from RM8.7 million in the preceding year corresponding quarter. The increase of RM0.6 million in revenue for the quarter under review was primarily due to the increase in web-based enterprise software billings.

For the nine months ended 30 September 2010, the Group recorded an increase of revenue by 35% to RM30.9 million from RM22.9 million. The increase in revenue of RM8.0 million was a result of the significant higher web-based enterprise software implementation and billings.

Profit before tax and minority interests for the nine months ended 30 September 2010 was higher at RM2.4 million or an increase of 173% as compared to a loss of RM3.3 million for the nine months preceding period.

B2. VARIATION OF RESULTS AGAINST THE PRECEDING QUARTER

	Current Qtr 30.09.2010 RM'000	Preceding Qtr 30.06.2010 RM'000
Revenue	9,286	9,148
<i>Gross Profits</i>	6,702	5,528
<i>Gross Margin</i>	72.17%	60.43%
Operating Profit	754	1,302
Adj : Doubtful debts provision	(4)	(414)
Amortisation	(707)	(710)
Finance costs	(26)	(24)
Profit Before Tax	17	154

For the current quarter under review, the Group recorded an increase in revenue to RM9.3 million as compared to RM9.1 million against the preceding quarter.

The Group registered an operating profit of RM0.8 million in the reporting quarter compared to a loss of RM0.3 million in the corresponding period last year. After accounting for the provision for bad and doubtful debts, amortization of deferred development costs and finance costs, totaling RM0.7 million, the Group registered profit before tax of RM17K during the quarter ended 30 September 2010.

However, the Group's bottom line remains profitable at RM2.3 million for the nine months ended 30 September 2010.



IFCA MSC BERHAD (453392-T)
(Incorporated in Malaysia)

B3. PROSPECTS

The Group is confident that enterprises' needs for web-based IT solutions to reduce operating costs and improve business efficiency, both locally and regionally, will continue to drive capital expenditures on IT.

The Board remains bullish and optimistic about the market potential for our range of products and positive that our results for the financial year 2010 will be an improvement over the previous year.

B4. PROFIT FORECAST

The Group has not provided any profit forecast in any public documents for the current quarter under review.

B5. INCOME TAX EXPENSE

	Current Quarter 3 months ended 30.09.2010 RM	Cumulative Quarter 9 months ended 30.09.2010 RM
Current tax	<u>(6,663)</u>	<u>(5,492)</u>

B6. PROFIT OR LOSS ON SALE OF INVESTMENTS AND/OR PROPERTIES

There were no sales of unquoted investments during the current quarter under review. However, there was a sales of property during the period which resulted in a loss on disposal of RM59,628.

B7. PURCHASE OR DISPOSAL OF QUOTED SECURITIES

There were no purchases of quoted securities for the current quarter and financial year to date.

B8. STATUS OF CORPORATE PROPOSALS ANNOUNCED

Except as disclosed below, there were no other corporate proposals announced but not completed as at to-date:-

On 29 October 2010, the Board of Directors of IFCA MSC Berhad ("IFCA") announced that the Company proposed to undertake the following:

- (i) Renounceable rights issue of 143,351,000 new ordinary shares of RM0.10 each in IFCA ("Rights Shares") together with 143,351,000 free detachable warrants ("Warrants") on the basis of one (1) Rights Share and one (1) free Warrant for every two (2) existing



IFCA MSC BERHAD (453392-T)
(Incorporated in Malaysia)

ordinary shares of RM0.10 each in IFCA ("IFCA Shares") held on an entitlement date to be determined later;

- (ii) Increase in authorized share capital of IFCA from RM50,000,000 comprising 500,000,000 IFCA Shares to RM75,000,000 comprising 750,000,000 IFCA Shares by the creation of an additional 250,000,000 Shares; and
- (iii) Amendments to the Memorandum and Articles of Association of IFCA .

The above proposals are inter-conditional with each other and are subject to the approvals being obtained from the relevant authorities which include, among others, the approval from the shareholders of IFCA at an Extraordinary General Meeting to be convened at a later date.

On 12 November 2010, the Company has submitted the listing application to Bursa Malaysia Securities Berhad ("Bursa Securities") for the listing of and quotation for the rights shares to be issued pursuant to the proposed rights issue on the ACE Market of Bursa Securities.

B9. GROUP BORROWINGS AND DEBT SECURITIES

The total borrowings of the Group as at 30 September 2010 comprised of hire purchase liabilities amounting to RM 1,080,639 analyzed as follows:

	RM
Secured - due within 12 months	361,559
Secured - due after 12 months	719,080
	<hr/>
	1,080,639
	<hr/> <hr/>

B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

The Group has no off-balance sheet financial instruments at the date of this announcement.

B11. MATERIAL LITIGATION

The Group does not have any material litigation, of which, in the opinion of the Directors, would have a material adverse effect on the financial results of the Group as at the date of this announcement.

B12. DIVIDEND PAYABLE

No interim ordinary dividend has been declared for the financial period ended 30 September 2010.



IFCA MSC BERHAD (453392-T)
(Incorporated in Malaysia)

B13. EARNINGS PER SHARE

	3 months ended		9 months ended	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
	RM	RM	RM	RM
Total Comprehensive Income/(Expense) attributable to:				
Owners of the company	(279,919)	(1,426,898)	1,973,449	(3,459,382)
Minority Interests	296,458	(10,108)	362,645	(52,547)
	<u>16,539</u>	<u>(1,437,006)</u>	<u>2,336,094</u>	<u>(3,511,929)</u>
Number of shares				
Weighted average number of ordinary shares in issue	286,702,000	286,702,000	286,702,000	286,702,000
(Loss)/profit per share (sen)				
- basic	(0.10)	(0.50)	0.69	(1.21)
- diluted	(0.10)	(0.50)	0.69	(1.21)

B14. AUTHORISATION FOR ISSUE

The interim financial statements were authorized for issue by the Board of Directors during its meeting held on 22 November 2010.