

# **IFCA MSC BERHAD**

(Company No: 453392-T)

(Incorporated in Malaysia)

## **CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2016**

**Condensed Statement of Comprehensive Income  
For the Nine Months Period Ended 30 September 2016**

	Note	Current Quarter		Cumulative Y-T-D	
		3 months ended		9 months ended	
		30.09.2016	30.09.2015	30.09.2016	30.09.2015
		RM	RM	RM	RM
<b><u>Continuing Operations</u></b>					
Revenue		18,054,924	22,605,984	53,725,798	78,468,292
Other income		801,747	2,430,339	2,526,487	3,714,713
Employee benefits expenses		(10,624,393)	(10,890,707)	(34,535,545)	(31,026,484)
Changes in inventories		(535,859)	(1,741,278)	(2,241,576)	(5,996,017)
Depreciation of property, plant and equipment		(259,854)	(296,578)	(841,565)	(896,572)
Amortisation		(1,540,382)	(569,596)	(4,665,432)	(1,230,763)
Other expenses		(5,280,195)	(5,788,294)	(17,492,354)	(17,171,908)
Profit/(Loss) from operations		615,988	5,749,870	(3,524,187)	25,861,261
Finance costs		(8,179)	(8,133)	(27,961)	(21,388)
<b>Profit/(Loss) before tax from continuing operations</b>		<b>607,809</b>	<b>5,741,737</b>	<b>(3,552,148)</b>	<b>25,839,873</b>
Income tax expense	B5	(401,103)	(226,664)	(1,743,383)	(4,303,219)
<b>Profit/(Loss) for the year, net of tax</b>		<b>206,706</b>	<b>5,515,073</b>	<b>(5,295,531)</b>	<b>21,536,654</b>
Profit/(Loss) Attributable to:					
Owners of the Company		572,944	5,785,942	(4,424,402)	21,166,792
Non-controlling interest		(366,238)	(270,869)	(871,129)	369,862
		<b>206,706</b>	<b>5,515,073</b>	<b>(5,295,531)</b>	<b>21,536,654</b>
Other comprehensive income/ (expense):					
Profit/(Loss) for the year, net of tax		206,706	5,515,073	(5,295,531)	21,536,654
Foreign currency translation		(401,458)	(2,518,728)	958,568	(4,040,344)
<b>Total comprehensive income/ (expense) for the year</b>		<b>(194,752)</b>	<b>2,996,345</b>	<b>(4,336,963)</b>	<b>17,496,310</b>
Attributable to:					
Owners of the Company		171,486	3,267,214	(3,465,834)	17,126,448
Non-controlling interest		(366,238)	(270,869)	(871,129)	369,862
		<b>(194,752)</b>	<b>2,996,345</b>	<b>(4,336,963)</b>	<b>17,496,310</b>
<b>Total comprehensive income/(expense) attributable to holders of the Company in sen:</b>					
- Basic	B13	0.09	1.04	(0.73)	3.80
- Diluted	B13	0.09	0.98	(0.73)	3.57

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited annual financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

**IFCA MSC BERHAD** (Company No: 453392-T)  
(Incorporated in Malaysia)

**Condensed Consolidated Statement of Financial Position**  
**As at 30 September 2016**

		As at 30.09.2016 (Unaudited)	As at 31.12.2015 (Audited)
	Note	RM	RM
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		9,171,298	9,412,139
Investment properties		293,100	293,100
Deferred development costs		17,286,845	19,559,761
Intangible asset		2,093,868	-
Goodwill		25,111,525	-
Other investments		275,674	275,674
		<u>54,232,310</u>	<u>29,540,674</u>
<b>CURRENT ASSETS</b>			
Trade receivables		16,151,276	21,493,036
Other receivables		2,492,423	951,934
Other current assets		817,897	522,118
Tax recoverable		1,634,690	187,284
Deposits, cash and bank balances		59,544,765	67,395,815
		<u>80,641,051</u>	<u>90,550,187</u>
<b>TOTAL ASSETS</b>		<u>134,873,361</u>	<u>120,090,861</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital		60,829,090	57,055,410
Share premium		23,117,915	9,590,868
Warrant reserves		-	596,084
Treasury shares		(21,871)	(9,821)
Retained profits		18,450,984	28,929,058
Other reserves		(728,907)	(1,687,475)
		<u>101,647,211</u>	<u>94,474,124</u>
<b>Non-Controlling Interest</b>		<u>(501,197)</u>	<u>369,932</u>
<b>Total equity</b>		<u>101,146,014</u>	<u>94,844,056</u>
<b>Non-current liabilities</b>			
Other liabilities		10,262,568	255,177
Hire purchase and finance lease payable	B9	512,227	643,468
Deferred tax liabilities		3,385,826	2,883,299
		<u>14,160,621</u>	<u>3,781,944</u>
<b>Current Liabilities</b>			
Trade payables		335,345	1,194,195
Other payables		6,955,153	9,261,694
Other liabilities		12,088,850	10,807,407
Hire purchase and finance lease payable	B9	187,378	201,565
Current Tax Payable		-	-
		<u>19,566,726</u>	<u>21,464,861</u>
Total liabilities		<u>33,727,347</u>	<u>25,246,805</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>134,873,361</u>	<u>120,090,861</u>
Net asset per share		0.17	0.17

The condensed consolidated statement of financial position should be read in conjunction with the audited annual financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Changes in Equity**  
**For the Nine Months Period Ended 30 September 2016**

	Attributable to Owners of the Company							Total	Non-controlling Interest	Total Equity
	Non-Distributable					Distributable				
	Share Capital RM	Share Premium RM	Share Application Monies RM	Treasury shares	Warrant Reserve RM	Other Reserve RM	Retained earnings RM			
At 1 January 2016	57,055,410	9,590,868	-	(9,821)	596,084	(1,687,475)	28,929,058	94,474,124	369,932	94,844,056
Issuance of share capital	1,600,000	-	-	-	-	-	-	1,600,000	-	1,600,000
Total comprehensive expense	-	-	-	-	-	-	(4,424,402)	(4,424,402)	(871,129)	(5,295,531)
Foreign Currency Translation	-	-	-	-	-	958,568	-	958,568	-	958,568
Exercise of warrants	2,173,680	567,047	-	-	(567,047)	-	-	2,173,680	-	2,173,680
Dividends paid	-	-	-	-	-	-	(6,082,709)	(6,082,709)	-	(6,082,709)
Open market purchase shares	-	-	-	(12,050)	-	-	-	(12,050)	-	(12,050)
Acquisition of subsidiary	-	12,960,000	-	-	-	-	-	12,960,000	-	12,960,000
Reclassifications of warrant reserve	-	-	-	-	(29,037)	-	29,037	-	-	-
<b>At 30 September 2016</b>	<b>60,829,090</b>	<b>23,117,915</b>	<b>-</b>	<b>(21,871)</b>	<b>-</b>	<b>(728,907)</b>	<b>18,450,984</b>	<b>101,647,211</b>	<b>(501,197)</b>	<b>101,146,014</b>
At 1 January 2015	47,974,170	7,221,849	343,020	-	2,965,103	(282,353)	12,895,684	71,117,473	440,138	71,557,611
Total comprehensive income	-	-	-	-	-	-	21,166,792	21,166,792	369,862	21,536,654
Foreign currency translation	-	-	-	-	-	(4,040,344)	-	(4,040,344)	-	(4,040,344)
Exercise of warrants	7,923,760	2,067,067	(343,020)	-	(2,067,067)	-	-	7,580,740	-	7,580,740
Dividends paid	-	-	-	-	-	-	(5,569,793)	(5,569,793)	-	(5,569,793)
<b>At 30 September 2015</b>	<b>55,897,930</b>	<b>9,288,916</b>	<b>-</b>	<b>-</b>	<b>898,036</b>	<b>(4,322,697)</b>	<b>28,492,683</b>	<b>90,254,868</b>	<b>810,000</b>	<b>91,064,868</b>

The condensed consolidated statement of changes in equity changes should be read in conjunction with the audited annual financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Cash Flows  
For the Nine Months Period Ended 30 September 2016**

	9 months ended	
	30.09.2016 RM	30.09.2015 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/ Profit before tax	(3,552,148)	25,839,873
Adjustments for :		
Non cash items	7,190,066	468,265
Non-operating items	(794,977)	(599,317)
Operating profit before working capital changes	<u>2,842,941</u>	<u>25,708,821</u>
Working capital changes:		
Net changes in assets	<u>2,136,938</u>	<u>(5,420,054)</u>
Net changes in liabilities	<u>(2,125,990)</u>	<u>2,673,301</u>
Total working capital changes	<u>10,948</u>	<u>(2,746,753)</u>
Net cash generated from operations	2,853,889	22,962,068
Income taxes paid	<u>(2,891,080)</u>	<u>(1,720,576)</u>
Net cash (used in)/generated from operating activities	<u>(37,191)</u>	<u>21,241,492</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	529,939	500,364
Purchase of property, plant and equipment	(630,754)	(1,266,971)
Proceeds from disposal of property, plant and equipment	57,256	-
Development costs	(903,259)	(5,991,391)
Cash of consideration paid for acquisition of business	<u>(4,000,000)</u>	<u>-</u>
Net cash used in investing activities	<u>(4,946,818)</u>	<u>(6,757,998)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(27,961)	(21,388)
Dividends paid	(6,082,709)	(5,569,793)
Payments to hire purchase and finance lease	(163,048)	(200,778)
Open market share buy-back	(12,050)	-
Proceeds from warrants conversion	2,173,680	7,580,740
Net cash (used in)/generated from financing activities	<u>(4,112,088)</u>	<u>1,788,781</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(9,096,097)</b>	<b>16,272,274</b>
<b>EFFECTS OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>1,245,047</b>	<b>(4,621,961)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>67,395,815</b>	<b>49,796,351</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b><u>59,544,765</u></b>	<b><u>61,446,664</u></b>

The condensed consolidated statement of cash flows should be read in conjunction with the audited annual financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.