

IFCA MSC BERHAD

(Company No: 453392-T)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 2ND QUARTER ENDED 30 JUNE 2019**

**Condensed Statement of Comprehensive Income
For the Six Months Period Ended 30 June 2019**

	Current Quarter		Quarter and Year-to-date Ended	
	3 months ended		6 months ended	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
Note	RM	RM	RM	RM
<u>Continuing Operations</u>				
Revenue	21,077,875	19,500,622	38,879,513	38,763,332
Other income	1,002,422	2,372,594	1,957,348	3,876,724
Employee benefits expenses	(14,864,582)	(13,048,701)	(27,315,525)	(25,384,520)
Changes in inventories	(73,995)	(291,948)	(73,995)	(516,069)
Depreciation of property, plant and equipment	(249,463)	(206,727)	(466,185)	(426,280)
Amortisation	(1,249,649)	(1,330,029)	(2,497,507)	(2,634,035)
Other expenses	(4,543,894)	(4,943,598)	(8,563,002)	(10,201,598)
Profit from operations	1,098,714	2,052,213	1,920,647	3,477,554
Finance costs	(7,711)	(6,569)	(16,789)	(13,960)
Profit before tax from continuing operations	1,091,003	2,045,644	1,903,858	3,463,594
Income tax expense	B5 (435,393)	(751,827)	(958,647)	(1,881,388)
Profit for the year, net of tax	655,610	1,293,817	945,211	1,582,206
Profit Attributable to:				
Owners of the Company	1,037,301	1,401,147	1,310,550	1,713,842
Non-controlling interest	(381,691)	(107,330)	(365,339)	(131,636)
	655,610	1,293,817	945,211	1,582,206
Other comprehensive income:				
Profit for the year, net of tax	655,610	1,293,817	945,211	1,582,206
Foreign currency translation	298,146	94,198	293,767	(338,554)
Total comprehensive income for the year	953,756	1,388,015	1,238,978	1,243,652
Attributable to:				
Owners of the Company	1,335,447	1,495,345	1,604,317	1,375,288
Non-controlling interest	(381,691)	(107,330)	(365,339)	(131,636)
	953,756	1,388,015	1,238,978	1,243,652
Total comprehensive income attributable to holders of the Company in sen:				
- Basic	B13 0.17	0.23	0.22	0.28
- Diluted	B13 0.17	0.23	0.22	0.28

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 2018 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Financial Position
As at 30 June 2019

		As at 30.06.2019 (Unaudited)	As at 31.12.2018 (Audited)
	Note	RM	RM
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		9,202,802	8,620,107
Investment properties		245,000	245,000
Deferred development costs		8,957,784	8,800,954
Intangible asset		124,266	248,533
Goodwill		25,111,525	25,111,525
Other investments		194,500	194,500
		<u>43,835,877</u>	<u>43,220,619</u>
CURRENT ASSETS			
Trade receivables		13,372,037	13,886,944
Other receivables		1,523,241	1,539,538
Contract assets		8,079,361	8,720,800
Other current assets		703,714	285,097
Tax recoverable		1,240,182	3,210,492
Deposits, cash and bank balances		71,082,794	75,384,785
		<u>96,001,329</u>	<u>103,027,656</u>
TOTAL ASSETS		<u>139,837,206</u>	<u>146,248,275</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		83,947,005	83,947,005
Treasury shares		(430,221)	(384,624)
Retained profits		38,601,091	37,585,479
Other reserves		(1,371,400)	(1,665,167)
		<u>120,746,475</u>	<u>119,482,693</u>
Non-Controlling Interest		<u>(857,637)</u>	<u>(492,298)</u>
Total equity		<u>119,888,838</u>	<u>118,990,395</u>
Non-current liabilities			
Contract liabilities		-	29,600
Hire purchase and finance lease payable	B9	336,015	328,827
Deferred tax liabilities		489,898	1,285,414
		<u>825,913</u>	<u>1,643,841</u>
Current Liabilities			
Trade payables		251,603	589,493
Other payables		6,276,586	9,671,101
Contract liabilities		12,306,995	10,865,974
Other liabilities		-	3,701,952
Hire purchase and finance lease payable	B9	287,271	221,383
Current Tax Payable		-	564,136
		<u>19,122,455</u>	<u>25,614,039</u>
Total liabilities		<u>19,948,368</u>	<u>27,257,880</u>
TOTAL EQUITY AND LIABILITIES		<u>139,837,206</u>	<u>146,248,275</u>
Net asset per share		0.20	0.20

The condensed consolidated statement of financial position should be read in conjunction with the audited annual financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Changes in Equity
For the Six Months Period Ended 30 June 2019

	← Attributable to Owners of the Company →				Total	Non-controlling Interest	Total Equity
	← Non-Distributable →		Distributable				
	Share Capital	Treasury shares	Other Reserve	Retained earnings			
	RM		RM	RM	RM	RM	
At 1 January 2019	83,947,005	(384,624)	(1,665,167)	37,585,479	119,482,693	(492,298)	118,990,395
Opening adjustment from adoption of MFRS 16	-	-	-	(7,219)	(7,219)	-	(7,219)
At 1 January 2019, as restated	83,947,005	(384,624)	(1,665,167)	37,578,260	119,475,474	(492,298)	118,983,176
Total comprehensive expense	-	-	-	1,310,550	1,310,550	(365,339)	945,211
Foreign Currency Translation	-	-	293,767	-	293,767	-	293,767
Dividends paid	-	-	-	(287,719)	(287,719)	-	(287,719)
Open market purchase shares	-	(45,597)	-	-	(45,597)	-	(45,597)
At 30 June 2019	83,947,005	(430,221)	(1,371,400)	38,601,091	120,746,475	(857,637)	119,888,838
At 1 January 2018	83,947,005	(38,052)	(2,032,535)	30,007,711	111,884,129	(494,530)	111,389,599
Total comprehensive income	-	-	-	1,713,842	1,713,842	(131,636)	1,582,206
Foreign currency translation	-	-	(338,554)	-	(338,554)	-	(338,554)
Dividends paid	-	-	-	(357,145)	(357,145)	-	(357,145)
Open market purchase shares	-	(238,717)	-	-	(238,717)	-	(238,717)
At 30 June 2018	83,947,005	(276,769)	(2,371,089)	31,364,408	112,663,555	(626,166)	112,037,389

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 2018 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Cash Flows
For the Six Months Period Ended 30 June 2019

	6 months ended	
	30.06.2019	30.06.2018
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	1,903,858	3,463,594
Adjustments for :		
Non cash items	3,076,704	3,030,220
Non-operating items	(841,991)	(622,459)
Operating profit before working capital changes	4,138,571	5,871,355
Working capital changes:		
Net changes in assets	903,049	1,425,982
Net changes in liabilities	(2,928,996)	(3,871,238)
Total working capital changes	(2,025,947)	(2,445,255)
Net cash generated from operations	2,112,624	3,426,100
Income taxes received/(paid)	614,120	(3,239,657)
Net cash generated from operating activities	2,726,744	186,443
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	704,216	511,765
Purchase of property, plant and equipment	(1,091,900)	(223,761)
Proceeds from disposal of property, plant and equipment	85,000	297,568
Development costs	(2,456,945)	-
Profit guarantee in respect of acquisition of business	(3,701,951)	(3,293,785)
Net cash used in investing activities	(6,461,580)	(2,708,213)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(16,789)	(13,960)
Payments to hire purchase and finance lease	(116,591)	(317,831)
Open market share buy-back	(45,597)	(238,717)
Net cash used in financing activities	(178,977)	(570,507)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(3,913,813)	(3,092,278)
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	(388,178)	(419,122)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	75,384,785	73,229,864
CASH AND CASH EQUIVALENTS AT END OF PERIOD	71,082,794	69,718,464

The condensed consolidated statement of cash flows should be read in conjunction with the audited annual financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.