

IFCA MSC BERHAD

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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2019**

**Condensed Statement of Comprehensive Income
For the Nine Months Period Ended 30 September 2019**

	Current Quarter		Quarter and Year-to-date Ended	
	3 months ended		9 months ended	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
Note	RM	RM	RM	RM
Continuing Operations				
Revenue	24,656,527	22,195,698	63,536,040	60,959,030
Other income	1,489,891	999,427	3,447,239	4,876,151
Employee benefits expenses	(15,681,550)	(12,857,260)	(42,997,075)	(38,241,780)
Changes in inventories	(181,581)	(153,362)	(255,576)	(669,431)
Depreciation of property, plant and equipment	(315,480)	(179,275)	(781,665)	(605,555)
Amortisation	(1,235,173)	(1,311,389)	(3,732,680)	(3,945,424)
Other expenses	(5,780,551)	(6,486,208)	(14,343,553)	(16,687,806)
Profit from operations	2,952,083	2,207,631	4,872,730	5,685,185
Finance costs	(10,616)	(7,365)	(27,405)	(21,325)
Profit before tax from continuing operations	2,941,467	2,200,266	4,845,325	5,663,860
Income tax expense	B5 (717,736)	(797,550)	(1,676,383)	(2,678,939)
Profit for the year, net of tax	2,223,731	1,402,716	3,168,942	2,984,921
Profit Attributable to:				
Owners of the Company	1,801,762	1,344,209	3,112,312	3,058,050
Non-controlling interest	421,969	58,507	56,630	(73,129)
	2,223,731	1,402,716	3,168,942	2,984,921
Other comprehensive income:				
Profit for the year, net of tax	2,223,731	1,402,716	3,168,942	2,984,921
Foreign currency translation	578,782	425,978	872,549	87,424
Total comprehensive income for the year	2,802,513	1,828,694	4,041,491	3,072,345
Attributable to:				
Owners of the Company	2,380,544	1,770,187	3,984,861	3,145,474
Non-controlling interest	421,969	58,507	56,630	(73,129)
	2,802,513	1,828,694	4,041,491	3,072,345
Total comprehensive income attributable to holders of the Company in sen:				
- Basic	B13 0.30	0.22	0.51	0.50
- Diluted	B13 0.30	0.22	0.51	0.50

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 September 2019**

		As at 30.09.2019 (Unaudited)	As at 31.12.2018 (Audited)
	Note	RM	RM
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		9,993,939	8,620,107
Investment properties		245,000	245,000
Deferred development costs		9,336,172	8,800,954
Intangible asset		62,133	248,533
Goodwill		25,111,525	25,111,525
Other investments		194,500	194,500
		<u>44,943,269</u>	<u>43,220,619</u>
CURRENT ASSETS			
Trade receivables		13,080,541	13,886,944
Other receivables		1,706,144	1,539,538
Contract assets		7,815,048	8,720,800
Other current assets		591,107	285,097
Tax recoverable		1,390,757	3,210,492
Deposits, cash and bank balances		67,839,832	75,384,785
		<u>92,423,429</u>	<u>103,027,656</u>
TOTAL ASSETS		<u>137,366,698</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		34,341,276	37,585,479
Other reserves		(792,618)	(1,665,167)
		<u>117,065,442</u>	<u>119,482,693</u>
Non-Controlling Interest		<u>(435,668)</u>	<u>(492,298)</u>
Total equity		<u>116,629,774</u>	<u>118,990,395</u>
Non-current liabilities			
Contract liabilities		-	29,600
Hire purchase and finance lease payable	B9	337,940	328,827
Deferred tax liabilities		533,306	1,285,414
		<u>871,246</u>	<u>1,643,841</u>
Current Liabilities			
Trade payables		189,082	589,493
Other payables		7,468,143	9,671,101
Contract liabilities		11,902,721	10,865,974
Other liabilities		-	3,701,952
Hire purchase and finance lease payable	B9	305,732	221,383
Current Tax Payable		-	564,136
		<u>19,865,678</u>	<u>25,614,039</u>
Total liabilities		<u>20,736,924</u>	<u>27,257,880</u>
TOTAL EQUITY AND LIABILITIES		<u>137,366,698</u>	<u>146,248,275</u>
Net asset per share		0.19	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 Nine Months Period Ended 30 September 2019

	← Attributable to Owners of the Company →				Total	Non- controlling Interest	Total Equity
	← Non-Distributable →		Distributable				
	Share Capital RM	Treasury shares	Other Reserve RM	Retained earnings 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	-	-	-	(12,299)	(12,299)	-	(12,299)
At 1 January 2019, as restated	83,947,005	(384,624)	(1,665,167)	37,573,180	119,470,394	(492,298)	118,978,096
Total comprehensive expense	-	-	-	3,112,312	3,112,312	56,630	3,168,942
Foreign Currency Translation	-	-	872,549	-	872,549	-	872,549
Dividends paid	-	-	-	(6,344,216)	(6,344,216)	-	(6,344,216)
Open market purchase shares	-	(45,597)	-	-	(45,597)	-	(45,597)
At 30 September 2019	83,947,005	(430,221)	(792,618)	34,341,276	117,065,442	(435,668)	116,629,774
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	-	-	-	3,058,050	3,058,050	(73,129)	2,984,921
Foreign currency translation	-	-	87,424	-	87,424	-	87,424
Dividends paid	-	-	-	(3,394,643)	(3,394,643)	-	(3,394,643)
Open market purchase shares	-	(238,717)	-	-	(238,717)	-	(238,717)
At 30 September 2018	83,947,005	(276,769)	(1,945,111)	29,671,118	111,396,243	(567,659)	110,828,584

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 Nine Months Period Ended 30 September 2019**

	9 months ended	
	30.09.2019	30.09.2018
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	4,845,325	5,663,860
Adjustments for :		
Non cash items	5,292,235	5,807,984
Non-operating items	(1,528,538)	(995,088)
Operating profit before working capital changes	<u>8,609,022</u>	<u>10,476,756</u>
Working capital changes:		
Net changes in assets	<u>1,197,799</u>	<u>75,290</u>
Net changes in liabilities	<u>(2,089,370)</u>	<u>(5,485,037)</u>
Total working capital changes	<u>(891,571)</u>	<u>(5,409,747)</u>
Net cash generated from operations	7,717,451	5,067,009
Income taxes received/(paid)	217,722	(4,164,295)
Net cash generated from operating activities	<u>7,935,173</u>	<u>902,714</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	1,000,140	846,509
Purchase of property, plant and equipment	(2,119,991)	(787,532)
Proceeds from disposal of property, plant and equipment	81,205	418,044
Development costs	(3,949,777)	(467,600)
Profit guarantee in respect of acquisition of business	(3,701,951)	(3,293,785)
Net cash used in investing activities	<u>(8,690,374)</u>	<u>(3,284,364)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(27,405)	(21,325)
Dividends paid	(6,344,216)	(3,394,643)
Payments to hire purchase and finance lease	(168,745)	(142,994)
Open market share buy-back	(45,597)	(238,717)
Net cash used in financing activities	<u>(6,585,963)</u>	<u>(3,797,679)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(7,341,164)	(6,179,329)
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	(203,789)	455,019
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	75,384,785	73,229,864
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>67,839,832</u>	<u>67,505,554</u>

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.