

IFCA MSC BERHAD

(Company No: 199701037892/453392-T)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE 1ST QUARTER ENDED 31 MARCH 2020

IFCA MSC BERHAD (Company No: 199701037892/453392-T)

(Incorporated in Malaysia)

**Condensed Statement of Comprehensive Income
For the Three Months Period Ended 31 March 2020**

	Note	Quarter and Year-to-date Ended	
		3 months ended	
		31.03.2020	31.03.2019
		RM	RM
Continuing Operations			
Revenue		15,310,699	17,801,638
Other income		1,706,378	954,926
Employee benefits expenses		(13,274,812)	(12,450,943)
Changes in inventories		(35,576)	-
Depreciation of property, plant and equipment		(237,056)	(216,722)
Amortisation		(1,178,415)	(1,247,858)
Other expenses		(2,721,614)	(4,019,108)
(Loss)/Profit from before impairment losses		(430,396)	821,933
Impairment losses		(2,140,834)	-
(Loss)/Profit from operations		(2,571,230)	821,933
Finance costs		(7,628)	(9,078)
(Loss)/Profit before tax from continuing operations		(2,578,858)	812,855
Income tax expense	B5	(289,410)	(523,254)
(Loss)/Profit for the year, net of tax		(2,868,268)	289,601
(Loss)/Profit Attributable to:			
Owners of the Company		(2,607,386)	273,249
Non-controlling interest		(260,882)	16,352
		(2,868,268)	289,601
Other comprehensive (expense)/income:			
(Loss)/Profit for the year, net of tax		(2,868,268)	289,601
Foreign currency translation		(1,307,982)	(4,379)
Total comprehensive (expense)/income for the year		(4,176,250)	285,222
Attributable to:			
Owners of the Company		(3,915,368)	268,870
Non-controlling interest		(260,882)	16,352
		(4,176,250)	285,222
Total comprehensive (expense)/income attributable to holders of the Company in sen:			
- Basic	B13	(0.43)	0.05
- Diluted	B13	(0.43)	0.05

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 2019 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Financial Position
As at 31 March 2020

		As at 31.03.2020 (Unaudited) RM	As at 31.12.2019 (Audited) RM
ASSETS	Note		
NON-CURRENT ASSETS			
Property, plant and equipment		9,311,515	9,495,272
Investment properties		250,000	250,000
Deferred development costs		8,033,201	9,692,158
Deferred tax asset		136,423	-
Goodwill		25,111,525	25,111,525
Right-of-use asset		875,061	1,040,999
Other investments		194,500	194,500
		<u>43,912,225</u>	<u>45,784,454</u>
CURRENT ASSETS			
Trade receivables		13,591,930	10,888,906
Other receivables		1,584,195	1,232,173
Contract assets		5,653,780	6,123,876
Other current assets		213,187	402,982
Tax recoverable		1,037,609	1,239,103
Deposits, cash and bank balances		67,930,385	74,958,975
		<u>90,011,086</u>	<u>94,846,015</u>
TOTAL ASSETS		<u>133,923,311</u>	<u>140,630,469</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		83,947,005	83,947,005
Treasury shares		(430,221)	(430,221)
Retained profits		34,853,310	37,460,696
Other reserves		(2,533,316)	(1,225,334)
		<u>115,836,778</u>	<u>119,752,146</u>
Non-Controlling Interest		<u>(660,655)</u>	<u>(399,773)</u>
Total equity		<u>115,176,123</u>	<u>119,352,373</u>
Non-current liabilities			
Contract liabilities		-	74,929
Lease Liabilities	B9	319,677	297,032
Deferred tax liabilities		-	237,520
		<u>319,677</u>	<u>609,481</u>
Current Liabilities			
Trade payables		115,571	129,770
Other payables		5,233,749	9,642,891
Contract liabilities		12,809,752	10,624,439
Lease Liabilities	B9	268,439	253,008
Current Tax Payable		-	18,507
		<u>18,427,511</u>	<u>20,668,615</u>
Total liabilities		<u>18,747,188</u>	<u>21,278,096</u>
TOTAL EQUITY AND LIABILITIES		<u>133,923,311</u>	<u>140,630,469</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 2019 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Changes in Equity
For the Three Months Period Ended 31 March 2020**

	← 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 2020	83,947,005	(430,221)	(1,225,334)	37,460,696	119,752,146	(399,773)	119,352,373
Total comprehensive expense	-	-	-	(2,607,386)	(2,607,386)	(260,882)	(2,868,268)
Foreign Currency Translation	-	-	(1,307,982)	-	(1,307,982)	-	(1,307,982)
At 31 March 2020	<u>83,947,005</u>	<u>(430,221)</u>	<u>(2,533,316)</u>	<u>34,853,310</u>	<u>115,836,778</u>	<u>(660,655)</u>	<u>115,176,123</u>
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 9	-	-	-	(7,955)	(7,955)	-	(7,955)
At 1 January 2019, as restated	<u>83,947,005</u>	<u>(384,624)</u>	<u>(1,665,167)</u>	<u>37,577,524</u>	<u>119,474,738</u>	<u>(492,298)</u>	<u>118,982,440</u>
Total comprehensive income	-	-	-	273,249	273,249	16,352	289,601
Foreign currency translation	-	-	(4,379)	-	(4,379)	-	(4,379)
At 31 March 2019	<u>83,947,005</u>	<u>(384,624)</u>	<u>(1,669,546)</u>	<u>37,850,773</u>	<u>119,743,608</u>	<u>(475,946)</u>	<u>119,267,662</u>

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 2019 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Cash Flows
For the Three Months Period Ended 31 March 2020

	3 months ended	
	31.03.2020	31.03.2019
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(2,578,858)	812,855
Adjustments for :		
Non cash items	4,462,691	1,690,402
Non-operating items	(730,459)	(276,059)
Operating profit before working capital changes	<u>1,153,374</u>	<u>2,227,198</u>
Working capital changes:		
Net changes in assets	<u>(2,639,056)</u>	<u>(2,412,165)</u>
Net changes in liabilities	<u>(2,364,955)</u>	<u>(4,421,091)</u>
Total working capital changes	<u>(5,004,011)</u>	<u>(6,833,256)</u>
Net cash used in operations	<u>(3,850,637)</u>	<u>(4,606,057)</u>
Income taxes received/(paid)	<u>(288,443)</u>	<u>844,811</u>
Net cash used in operating activities	<u>(4,139,080)</u>	<u>(3,761,246)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	476,114	208,339
Purchase of property, plant and equipment	(290,602)	(728,262)
Proceeds from disposal of property, plant and equipment	62,000	49,527
Development costs	<u>(1,646,193)</u>	<u>(888,080)</u>
Net cash used in investing activities	<u>(1,398,681)</u>	<u>(1,358,475)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(7,628)	(9,078)
Payments to hire purchase and finance lease	<u>(90,403)</u>	<u>(57,993)</u>
Net cash used in financing activities	<u>(98,031)</u>	<u>(67,071)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,635,792)	(5,186,792)
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	(1,392,798)	(228,441)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	74,958,975	75,384,785
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>67,930,385</u>	<u>69,969,552</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 2019 and the accompanying explanatory notes attached to the interim financial statements.