

# **IFCA MSC BERHAD**

(Company No: 199701037892/453392-T)

(Incorporated in Malaysia)

## **CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE 2ND QUARTER ENDED 30 JUNE 2020**

**Condensed Statement of Comprehensive Income  
For the Six Months Period Ended 30 June 2020**

	Current Quarter		Year-to-date Ended	
	3 months ended		6 months ended	
	30.06.2020	30.6.2019	30.06.2020	30.6.2019
Note	RM	RM	RM	RM
<b><u>Continuing Operations</u></b>				
Revenue	20,500,943	21,077,875	35,811,642	38,879,513
Other income	1,544,726	1,002,422	3,251,104	1,957,348
Employee benefits expenses	(14,388,003)	(14,864,582)	(27,662,815)	(27,315,525)
Changes in inventories	(9,422)	(73,995)	(44,998)	(73,995)
Depreciation of property, plant and equipment	(278,529)	(249,463)	(515,585)	(466,185)
Amortisation	(653,924)	(1,249,649)	(1,832,339)	(2,497,507)
Other expenses	(2,378,751)	(4,543,894)	(5,100,365)	(8,563,002)
<b>Profit from before impairment losses</b>	<b>4,337,040</b>	<b>1,098,714</b>	<b>3,906,644</b>	<b>1,920,647</b>
Impairment losses	-	-	(2,140,834)	-
<b>Profit from operations</b>	<b>4,337,040</b>	<b>1,098,714</b>	<b>1,765,810</b>	<b>1,920,647</b>
Finance costs	(7,682)	(7,711)	(15,310)	(16,789)
<b>Profit before tax from continuing operations</b>	<b>4,329,358</b>	<b>1,091,003</b>	<b>1,750,500</b>	<b>1,903,858</b>
Income tax expense	B5 (488,137)	(435,393)	(777,547)	(958,647)
<b>Profit for the year, net of tax</b>	<b>3,841,221</b>	<b>655,610</b>	<b>972,953</b>	<b>945,211</b>
Profit Attributable to:				
Owners of the Company	3,674,931	1,037,301	1,067,544	1,310,550
Non-controlling interest	166,290	(381,691)	(94,591)	(365,339)
	<b>3,841,221</b>	<b>655,610</b>	<b>972,953</b>	<b>945,211</b>
Other comprehensive income:				
Profit for the year, net of tax	3,841,221	655,610	972,953	945,211
Foreign currency translation	2,053,978	298,146	745,996	293,767
<b>Total comprehensive income for the year</b>	<b>5,895,199</b>	<b>953,756</b>	<b>1,718,949</b>	<b>1,238,978</b>
Attributable to:				
Owners of the Company	5,728,909	1,335,447	1,813,540	1,604,317
Non-controlling interest	166,290	(381,691)	(94,591)	(365,339)
	<b>5,895,199</b>	<b>953,756</b>	<b>1,718,949</b>	<b>1,238,978</b>
<b>Total comprehensive income attributable to holders of the Company in sen:</b>				
- Basic	B13 0.60	0.17	0.18	0.22
- Diluted	B13 0.60	0.17	0.18	0.22

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 30 June 2020**

		As at 30.06.2020 (Unaudited) RM	As at 31.12.2019 (Audited) RM
<b>ASSETS</b>	<b>Note</b>		
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		10,578,806	9,495,272
Investment properties		250,000	250,000
Deferred development costs		9,047,401	9,692,158
Goodwill		25,111,525	25,111,525
Right-of-use asset		598,767	1,040,999
Other investments		194,500	194,500
		<u>45,780,999</u>	<u>45,784,454</u>
<b>CURRENT ASSETS</b>			
Trade receivables		13,565,816	10,888,906
Other receivables		1,750,363	1,232,173
Contract assets		5,567,896	6,123,876
Other current assets		448,480	402,982
Tax recoverable		1,366,191	1,239,103
Deposits, cash and bank balances		72,384,165	74,958,975
		<u>95,082,911</u>	<u>94,846,015</u>
<b>TOTAL ASSETS</b>		<u>140,863,910</u>	<u>140,630,469</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital		83,947,005	83,947,005
Treasury shares		(430,221)	(430,221)
Retained profits		38,528,240	37,460,696
Other reserves		(479,338)	(1,225,334)
		<u>121,565,686</u>	<u>119,752,146</u>
<b>Non-Controlling Interest</b>		<u>(494,386)</u>	<u>(399,773)</u>
<b>Total equity</b>		<u>121,071,300</u>	<u>119,352,373</u>
<b>Non-current liabilities</b>			
Contract liabilities		-	74,929
Lease Liabilities	B9	229,661	297,032
Deferred tax liabilities		13,982	237,520
		<u>243,643</u>	<u>609,481</u>
<b>Current Liabilities</b>			
Trade payables		227,840	129,770
Other payables		6,416,497	9,642,891
Contract liabilities		12,705,102	10,624,439
Lease Liabilities	B9	199,528	253,008
Current Tax Payable		-	18,507
		<u>19,548,967</u>	<u>20,668,615</u>
Total liabilities		<u>19,792,610</u>	<u>21,278,096</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>140,863,910</u>	<u>140,630,469</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 2019 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 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	-	-	-	1,067,544	1,067,544	(94,591)	972,953
Foreign Currency Translation	-	-	745,996	-	745,996	-	745,996
Dividends paid	-	-	-	-	-	(22)	(22)
At 30 June 2020	<u>83,947,005</u>	<u>(430,221)</u>	<u>(479,338)</u>	<u>38,528,240</u>	<u>121,565,686</u>	<u>(494,386.00)</u>	<u>121,071,300</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	-	-	-	(7,219)	(7,219)	-	(7,219)
At 1 January 2019, as restated	<u>83,947,005</u>	<u>(384,624)</u>	<u>(1,665,167)</u>	<u>37,578,260</u>	<u>119,475,474</u>	<u>(492,298)</u>	<u>118,983,176</u>
Total comprehensive income	-	-	-	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	<u>83,947,005</u>	<u>(430,221)</u>	<u>(1,371,400)</u>	<u>38,601,091</u>	<u>120,746,475</u>	<u>(857,637)</u>	<u>119,888,838</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 Six Months Period Ended 30 June 2020**

	6 months ended	
	30.06.2020	30.06.2019
	RM	RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	1,750,500	1,903,858
Adjustments for :		
Non cash items	5,575,915	3,076,704
Non-operating items	(1,519,678)	(841,991)
Operating profit before working capital changes	<u>5,806,737</u>	<u>4,138,571</u>
Working capital changes:		
Net changes in assets	<u>(2,850,354)</u>	<u>903,049</u>
Net changes in liabilities	<u>(1,407,755)</u>	<u>(2,928,996)</u>
Total working capital changes	<u>(4,258,109)</u>	<u>(2,025,947)</u>
Net cash generated from operations	1,548,628	2,112,624
Income taxes received/(paid)	(609,139)	614,120
Net cash generated from operating activities	<u>939,489</u>	<u>2,726,744</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	939,235	704,216
Purchase of property, plant and equipment	(1,319,997)	(1,091,900)
Proceeds from disposal of property, plant and equipment	267,500	85,000
Development costs	(3,249,962)	(2,456,945)
Profit guarantee in respect of acquisition of business	-	(3,701,951)
Net cash used in investing activities	<u>(3,363,224)</u>	<u>(6,461,580)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(15,310)	(16,789)
Dividends paid	(22)	-
Payments to hire purchase and finance lease	(253,196)	(116,591)
Open market share buy-back	-	(45,597)
Net cash used in financing activities	<u>(268,528)</u>	<u>(178,977)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,692,263)</b>	<b>(3,913,813)</b>
<b>EFFECTS OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>117,453</b>	<b>(388,178)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>74,958,975</b>	<b>75,384,785</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b><u>72,384,165</u></b>	<b><u>71,082,794</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 2019 and the accompanying explanatory notes attached to the interim financial statements.