

IFCA MSC BERHAD

(Company No: 199701037892/453392-T)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE 2ND QUARTER ENDED 30 JUNE 2023

**Condensed Statement of Comprehensive Income
For the Six Months Period Ended 30 June 2023**

	Note	Current Quarter		Quarter and Year-to-date Ended	
		3 months ended		6 months ended	
		30.06.2023	30.06.2022	30.06.2023	30.06.2022
		RM	RM	RM	RM
Continuing Operations					
Revenue		18,584,160	19,395,207	36,020,562	34,579,011
Other income		1,393,155	489,734	2,101,049	912,299
Employee benefits expenses		(12,986,556)	(14,326,374)	(24,655,927)	(27,643,529)
Changes in inventories		(21,140)	(172,500)	(66,912)	(172,500)
Depreciation of Property, Plant & Equipment and Right-of-use assets		(428,231)	(522,406)	(840,618)	(1,042,786)
Amortisation of development costs		(996,971)	(889,558)	(1,993,942)	(1,778,573)
Other expenses		(4,072,254)	(4,091,376)	(8,166,165)	(6,939,517)
Profit/(Loss) before impairment losses		1,472,163	(117,273)	2,398,047	(2,085,595)
Impairment losses on:					
Contract Asset		(24,150)	(2,296,010)	(24,150)	(2,296,010)
Profit/(Loss) from operations		1,448,013	(2,413,283)	2,373,897	(4,381,605)
Finance costs		(5,490)	(16,469)	(11,217)	(34,281)
Profit/(Loss) before tax from continuing operations		1,442,523	(2,429,752)	2,362,680	(4,415,886)
Income tax expense	B5	(665,915)	(369,120)	(1,086,384)	(725,743)
Profit/(Loss) for the year, net of tax		776,608	(2,798,872)	1,276,296	(5,141,629)
Profit/(Loss) attributable to:					
Owners of the Company		555,211	(2,947,508)	845,587	(5,223,917)
Non-controlling interest		221,397	148,636	430,709	82,288
		776,608	(2,798,872)	1,276,296	(5,141,629)
Other comprehensive income/(expense):					
Profit/(Loss) for the year, net of tax		776,608	(2,798,872)	1,276,296	(5,141,629)
Foreign currency translation		1,045,722	208,571	1,597,827	246,720
Total comprehensive income/(expense) for the year		1,822,330	(2,590,301)	2,874,123	(4,894,909)
Attributable to:					
Owners of the Company		1,600,933	(2,738,937)	2,443,414	(4,977,197)
Non-controlling interest		221,397	148,636	430,709	82,288
		1,822,330	(2,590,301)	2,874,123	(4,894,909)
Total comprehensive income/(expense) attributable to holders of the Company in sen:					
- Basic	B13	0.09	(0.48)	0.14	(0.86)
- Diluted	B13	0.09	(0.49)	0.14	(0.86)

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 2022 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Financial Position
As at 30 June 2023

		As at 30.06.2023 (Unaudited) RM	As at 31.12.2022 (Audited) RM
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		5,777,744	6,031,117
Investment properties		11,902,456	8,005,676
Deferred development costs		17,694,078	18,700,267
Deferred tax asset		2,181,762	2,165,075
Goodwill		25,111,525	25,111,525
Right-of-use asset		310,533	639,376
Other investments		177,270	177,384
		<u>63,155,368</u>	<u>60,830,420</u>
CURRENT ASSETS			
Trade receivables		14,119,454	10,177,524
Contract assets		2,268,650	3,141,649
Other receivables		1,293,293	1,017,165
Other current assets		521,755	326,594
Tax recoverable		-	522,448
Deposits, cash and bank balances		71,703,530	72,809,007
		<u>89,906,682</u>	<u>87,994,387</u>
TOTAL ASSETS		<u>153,062,050</u>	<u>148,824,807</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		83,947,005	83,947,005
Treasury shares		(912,564)	(912,564)
Retained profits		37,647,678	36,802,091
Other reserves		292,654	(1,305,173)
		<u>120,974,773</u>	<u>118,531,359</u>
Non-Controlling Interest		<u>(605,003)</u>	<u>(1,035,712)</u>
Total equity		<u>120,369,770</u>	<u>117,495,647</u>
Non-current liabilities			
Contract liabilities		-	121,720
Employees' retirement benefits		748,144	680,932
Lease Liabilities	B9	30,700	28,195
Deferred tax liabilities		1,883,184	2,046,613
		<u>2,662,028</u>	<u>2,877,460</u>
Current Liabilities			
Trade payables		31,710	120,190
Other payables		6,253,011	9,460,866
Contract liabilities		23,373,388	18,230,257
Lease Liabilities	B9	75,110	434,459
Tax Payable		297,033	205,928
		<u>30,030,252</u>	<u>28,451,700</u>
Total liabilities		<u>32,692,280</u>	<u>31,329,160</u>
TOTAL EQUITY AND LIABILITIES		<u>153,062,050</u>	<u>148,824,807</u>
Net asset per share		0.20	0.19

The condensed consolidated statement of financial position should be read in conjunction with the audited annual financial statements for the year ended 31 December 2022 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 2023

	← 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	RM	
At 1 January 2023	83,947,005	(912,564)	(1,305,173)	36,802,091	118,531,359	(1,035,712)	117,495,647
Total comprehensive expense	-	-	-	845,587	845,587	430,709	1,276,296
Foreign Currency Translation	-	-	1,597,827	-	1,597,827	-	1,597,827
At 30 June 2023	<u>83,947,005</u>	<u>(912,564)</u>	<u>292,654</u>	<u>37,647,678</u>	<u>120,974,773</u>	<u>(605,003)</u>	<u>120,369,770</u>
At 1 January 2022	83,947,005	(430,221)	(946,513)	46,584,609	129,154,880	(681,813)	128,473,067
Total comprehensive income	-	-	-	(5,223,917)	(5,223,917)	82,288	(5,141,629)
Foreign currency translation	-	-	246,720	-	246,720	-	246,720
Dividends paid	-	-	-	-	-	(295,714)	(295,714)
Open market purchase shares	-	(176,268)	-	-	(176,268)	-	(176,268)
At 30 June 2022	<u>83,947,005</u>	<u>(606,489)</u>	<u>(699,793)</u>	<u>41,360,692</u>	<u>124,001,415</u>	<u>(895,239)</u>	<u>123,106,176</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 2022 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 2023

	6 months ended	
	30.06.2023	30.06.2022
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	2,362,680	(4,415,886)
Adjustments for :		
Non cash items	3,064,826	5,163,389
Non-operating items	(914,185)	(528,838)
Operating profit before working capital changes	<u>4,513,321</u>	<u>218,665</u>
Working capital changes:		
Net changes in assets	<u>(7,751,330)</u>	<u>(5,879,329)</u>
Net changes in liabilities	<u>1,044,144</u>	<u>(471,565)</u>
Total working capital changes	<u>(6,707,186)</u>	<u>(6,350,894)</u>
Net cash used in operations	(2,193,865)	(6,132,229)
Income taxes paid	<u>(228,279)</u>	<u>(321,467)</u>
Net cash used in operating activities	<u>(2,422,144)</u>	<u>(6,453,696)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	592,341	448,238
Purchase of property, plant and equipment	(123,462)	(227,868)
Proceeds from disposal of property, plant and equipment	12,518	2,936
Proceeds from disposal of other investments	130,114	13,500
Development costs	<u>(987,754)</u>	<u>(2,030,002)</u>
Net cash used in investing activities	<u>(376,243)</u>	<u>(1,793,196)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(11,217)	(34,281)
Dividends paid	-	(295,714)
Payments to hire purchase and finance lease	(33,040)	(31,707)
Open market share buy-back	-	(176,268)
Net cash used in financing activities	<u>(44,257)</u>	<u>(537,970)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,842,644)	(8,784,862)
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	1,737,167	(469,814)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	72,809,007	84,436,343
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>71,703,530</u>	<u>75,181,667</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 2022 and the accompanying explanatory notes attached to the interim financial statements.