



**SCICOM (MSC) BERHAD**  
 (Company No. 597426-H)  
 (Incorporated in Malaysia under the Companies Act, 1965)  
**SECOND QUARTER REPORT ENDED 31 DECEMBER 2013**

**ANNOUNCEMENT**

The Board of Directors of Scicom (MSC) Berhad (hereinafter referred to as “Scicom” or “the Company”) is pleased to announce the following unaudited consolidated results for the second quarter ended 31 December 2013.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Financial Period Ended	Preceding Financial Period Ended
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	38,508	33,520	75,533	67,879
Operating expenses	(32,139)	(29,127)	(62,679)	(59,431)
Depreciation	(1,329)	(1,049)	(2,894)	(2,082)
<b>Operating profit</b>	5,040	3,344	9,960	6,366
Share of profit of jointly controlled entity , net of tax	23	50	45	136
Other operating income	5	6	5	29
Gain/(Loss) on foreign exchange	183	66	244	(67)
Plant and equipment written off	(11)	0	(12)	0
Finance income	92	46	160	120
Finance costs	(6)	(1)	(10)	(1)
<b>Profit before taxation</b>	5,326	3,511	10,392	6,583
Taxation	5	(232)	140	(220)
<b>Profit for the financial period</b>	5,331	3,279	10,532	6,363

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME (cont'd)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	Current Year Quarter 31.12.2013 RM'000	Preceding Year Corresponding Quarter 31.12.2012 RM'000	Current Financial Period Ended 31.12.2013 RM'000	Preceding Financial Period Ended 31.12.2012 RM'000
<b>Other comprehensive (loss)/ income, net of tax</b>				
Foreign currency translation differences for foreign operations	75	(40)	305	21
<b>Total comprehensive income for the financial period</b>	<b>5,406</b>	<b>3,239</b>	<b>10,837</b>	<b>6,384</b>
Profit attributable to:				
- Owners of the Company	5,465	3,324	10,693	6,429
- Non-controlling interest	(134)	(45)	(161)	(66)
Profit for the financial period	5,331	3,279	10,532	6,363
Total comprehensive income attributable to:				
- Owners of the Company	5,540	3,284	10,998	6,450
- Non-controlling interest	(134)	(45)	(161)	(66)
Total comprehensive income for the financial period	5,406	3,239	10,837	6,384
<b>Earnings per share attributable to equity holders of the Company:</b>				
- Basic (sen)	1.85	1.12	3.61	2.17
- Diluted (sen)	N/A	N/A	N/A	N/A

*Other disclosure items pursuant to Note 16 of Appendix 9B of the Main Market Listing Requirements of Bursa Securities are not applicable.*

The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial report.

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>As At Current Financial Period Ended 31.12.2013</b>	<b>As At Preceding Financial Year Ended 30.06.2013</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Plant and equipment	12,504	13,795
Investment in jointly controlled entity	1,875	1,831
Deferred tax assets	510	412
	<b>14,889</b>	<b>16,038</b>
<b>Current Assets</b>		
Trade receivables	21,018	26,108
Unbilled receivables	9,887	12,032
Deposits, prepayments and other receivables	8,106	6,911
Tax recoverable	1,019	937
Cash and cash equivalents	26,040	15,615
	<b>66,070</b>	<b>61,603</b>
<b>TOTAL ASSETS</b>	<b>80,959</b>	<b>77,641</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves attributable to Owners of the Company</b>		
Share capital	29,621	29,621
Share premium reserve	1,983	1,983
Retained earnings	41,193	39,386
Currency translation reserve	(167)	(472)
	<b>72,630</b>	<b>70,518</b>
Non-controlling interest	106	27
<b>TOTAL EQUITY</b>	<b>72,736</b>	<b>70,545</b>
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	226	303
	<b>226</b>	<b>303</b>
<b>Current Liabilities</b>		
Trade and other payables	7,997	6,793
	<b>7,997</b>	<b>6,793</b>
<b>TOTAL LIABILITIES</b>	<b>8,223</b>	<b>7,096</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>80,959</b>	<b>77,641</b>
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)</b>	<b>0.25</b>	<b>0.24</b>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial report.

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Issued and fully paid ordinary shares of RM0.10 each		Non-distributable		Distributable	Total	Non-controlling interest	Total Equity
	Number of shares	Nominal value	Share premium reserve	Currency translation reserve	Retained earnings			
	'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>6 months ended 31.12.2012</b>								
As at 1 July 2012	296,211	29,621	1,983	(437)	33,421	64,588	315	64,903
Currency translation differences, representing total income and expense recognised directly in equity	0	0	0	21	0	21	0	21
Net profit for the financial year	0	0	0	0	6,429	6,429	(66)	6,363
Total comprehensive income/(loss)	0	0	0	21	6,429	6,450	(66)	6,384
Dividends paid for the financial year ended: - 30 June 2012	0	0	0	0	(5,924)	(5,924)	0	(5,924)
As at 31 December 2012	296,211	29,621	1,983	(416)	33,926	65,114	249	65,363
<b>6 months ended 31.12.2013</b>								
As at 1 July 2013	296,211	29,621	1,983	(472)	39,386	70,518	27	70,545
Currency translation differences, representing total income and expense recognised directly in equity	0	0	0	305	0	305	0	305
Net profit for the financial year	0	0	0	0	10,693	10,693	(161)	10,532
Total comprehensive income/(loss)	0	0	0	305	10,693	10,998	(161)	10,837
Dividends paid for the financial year ended: - 30 June 2013 - 30 June 2014	0 0	0 0	0 0	0 0	(5,924) (2,962)	(5,924) (2,962)	0 0	(5,924) (2,962)
Non-controlling interest arising on business combination	0	0	0	0	0	0	240	240
As at 31 December 2013	296,211	29,621	1,983	(167)	41,193	72,630	106	72,736

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial report.

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	<b>Current Financial Period Ended 31.12.2013 RM'000</b>	<b>Preceding Financial Period Ended 31.12.2012 RM'000</b>
<b>Operating Activities</b>		
<b>Net profit for the financial period</b>	10,532	6,363
<b>Adjustments:</b>		
Depreciation of plant and equipment	2,894	2,082
Unrealised foreign exchange loss	411	295
Interest expense	10	1
Plant and equipment written off	12	0
Taxation	(140)	220
Interest income	(160)	(120)
Share of profit of jointly controlled entity	(45)	(136)
<b>Operating profit before changes in working capital</b>	13,514	8,705
Payables	1,205	(1,299)
Receivables	5,530	(7,452)
<b>Cash flow from/(used in) operations</b>	20,249	(46)
Interest received	160	120
Taxation (paid)/refund	(117)	174
<b>Net cash flow generated from operating activities</b>	20,292	248
<b>Investing Activities</b>		
Purchases of plant and equipment	(1,818)	(3,341)
<b>Net cash flow used in investing activities</b>	(1,818)	(3,341)
<b>Financing Activities</b>		
Proceeds from issuance of share capital to non-controlling interest	240	0
Interest paid	(10)	(1)
Payment of dividends	(8,886)	(5,924)
<b>Net cash flow used in financing activities</b>	(8,656)	(5,925)
<b>Net increase/(decrease) in cash and cash equivalents</b>	9,818	(9,018)
Effect of foreign exchange on cash and cash equivalents	607	21
Cash and cash equivalents at beginning of financial year	15,615	19,054
<b>Cash and cash equivalents at end of financial year</b>	26,040	10,057

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial report.



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**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT**

**1. BASIS OF PREPARATION**

The unaudited interim financial report has been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The interim financial report should be read in conjunction with the Group’s most recent audited financial statements for the financial year ended 30 June 2013.

The accounting policies and method of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements for the financial year ended 30 June 2013 except for the adoption of the following new/revised MFRSs and amendments to FRSS:

<b>Title</b>	<b>Effective Date</b>
MFRS 10 Consolidated Financial Statements	1 January 2013
MFRS 11 Joint Arrangements	1 January 2013
MFRS 12 Disclosure of Interests in Other Entities	1 January 2013
MFRS 13 Fair Value Measurement	1 January 2013
MFRS 127 Separate Financial Statements	1 January 2013
MFRS 128 Investments in Associates and Joint Ventures	1 January 2013
Amendment to MFRS 119 Employee Benefits	1 January 2013
Amendment to MFRS 7 Financial Instruments: Disclosures	1 January 2013
Amendment to MFRS 116 Property, Plant and Equipment	1 January 2013

The adoption of the above MFRS and amendment to MFRS do not have any significant impact on the results and financial position of the Group for the current quarter.

**2. CHANGES IN ACCOUNTING POLICIES**

The significant accounting policies adopted in preparing these consolidated condensed interim financial statements are consistent with those of the audited financial statements for the financial year ended 30 June 2013.

**3. AUDITORS’ REPORT OF PRECEDING AUDITED ANNUAL FINANCIAL STATEMENTS**

The auditor’s report on the financial statements for the financial year ended 30 June 2013 was not qualified.



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**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT**

**4. SEASONAL / CYCLICAL FACTORS**

The operations of the Group were not significantly affected by seasonal and cyclical factors during the financial quarter under review.

**5. UNUSUAL ITEMS**

There were no significant unusual items affecting assets, liabilities, equity, net income or cash flows during the financial quarter under review and financial period to date.

**6. MATERIAL CHANGES IN ESTIMATES OF AMOUNTS REPORTED**

There were no material changes in the basis of estimates of amounts previously reported which have a material effect in the financial quarter under review and financial period to date.

**7. MOVEMENT IN DEBT AND EQUITY SECURITIES**

During the current financial quarter and financial period to date, there were no issuances, cancellation, repurchases, resale and repayments of debt and equity securities.

**8. DIVIDENDS PAID**

The following dividends have been paid during the financial period to date :-

In respect of the financial year ended	Dividend	Date of dividend payment	Amount paid
2013	Interim dividend of 2.0 sen per ordinary share	27 September 2013	RM5,924,226
2014	Interim dividend of 1.0 sen per ordinary share	16 December 2013	RM2,962,113



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**9. SEGMENT RESULTS AND REPORTING**

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

The two primary segments that are the focus of the management’s internal financial and operational reporting structure are as follows:

- a. Outsourcing services comprising of BPO services which offers multi-lingual, multi-channel customer care, technical support help desks, consultative sales and associated fulfillment.
- b. Training and consultancy includes educational and industrial training services primarily focused on customer care in the service industry.

Segmental analysis by business segment is as follows:

For the financial period ended 31 December 2013

FY 2014	Current Financial Period Ended 31.12.2013			
	Outsourcing services	Training and consultancy	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	74,978	555	-	75,533
Inter-segment revenue	-	-	-	-
<b>Total revenue</b>	<b>74,978</b>	<b>555</b>	<b>-</b>	<b>75,533</b>
Segment results	14,224	(1,138)		13,086
Unallocated income/ other gains				5
Depreciation				(2,894)
Share of results of jointly controlled entity (net of tax)				45
Finance income				160
Finance cost				(10)
<b>Profit before taxation</b>				<b>10,392</b>
Taxation				140
<b>Net profit for the financial year</b>				<b>10,532</b>





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**9. SEGMENT RESULTS AND REPORTING (cont'd)**

For the financial period ended 31 December 2012

FY 2013	Current Financial Period Ended 31.12.2012			
	Outsourcing services	Training and consultancy	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	60,472	7,407	-	67,879
Inter-segment revenue	600	-	(600)	-
<b>Total revenue</b>	<b>61,072</b>	<b>7,407</b>	<b>(600)</b>	<b>67,879</b>
Segment results	5,632	2,749		8,381
Unallocated income/ other gains				29
Depreciation				(2,082)
Share of results of jointly controlled entity (net of tax)				136
Finance income				120
Finance cost				(1)
<b>Profit before taxation</b>				<b>6,583</b>
Taxation				(220)
<b>Net profit for the financial period</b>				<b>6,363</b>

**10. VALUATION OF PLANT AND EQUIPMENT**

There was no revaluation of plant and equipment during the financial quarter under review and financial period to date. As at 31 December 2013, all plant and equipment were stated at cost less accumulated depreciation.

**11. SUBSEQUENT EVENTS**

There were no material events subsequent to the end of the financial quarter under review up to the date of the interim financial report.



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**12. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group, including business combinations, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations for the financial quarter under review except for Scicom International College Sdn Bhd (“SICSB”), a subsidiary of the Company which has increased its issued and paid-up share capital from 200,000 to 1,000,000 ordinary shares of RM1.00 each on 1<sup>st</sup> October, 2013.

The respective shareholders have subscribed for additional ordinary shares in SICSB based on their respective shareholdings. As such, the shareholdings structure of SICSB remains as 70% equity interest held by the Company

**13. CONTINGENT LIABILITY OR CONTINGENT ASSET**

There was no contingent liability or contingent asset arising since the last audited financial statement for the financial year ended 30 June 2013.

**14. COMMITMENTS**

Commitments for the Group not provided for as at 31 December 2013 are as follows:

(a) Capital commitments

In respect of plant and equipment  
 - Authorised and contracted

Current Financial Period Ended 31.12.2013	
RM'000	
1,045	

(b) Non-cancelable operating leases

Future minimum lease payments  
 - not later than 1 year  
 - later than 1 year and not later than 5 years

Current Financial Period Ended 31.12.2013	
RM'000	
7,945	
2,493	
10,438	



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**15. SIGNIFICANT RELATED PARTY TRANSACTIONS**

There were no significant related party transactions during the financial period under review.

**16. REVIEW OF PERFORMANCE**

**PERFORMANCE BY QUARTER**

Financial quarter ended	31 Dec 2013	31 Dec 2012	Increase/ (decrease)
<b>Revenue</b>	RM'000	RM'000	RM'000
Outsourcing	38,472	29,295	9,177
Training and consultancy	36	4,225	(4,189)
<b>Total revenue</b>	<b>38,508</b>	<b>33,520</b>	<b>4,988</b>
<b>Profit before taxation</b>	<b>5,326</b>	<b>3,511</b>	<b>1,815</b>

**a. Revenue**

Outsourcing

The Group's outsourcing business principally comprises services provided to clients on long term contracts. Additionally, clients require the Group to provide ad-hoc short term services. The higher revenue in the financial quarter under review compared to the preceding year corresponding quarter was primarily due to projects that commenced operations in the preceding financial year (RM14.86 million).

The increase in revenue is offset by the reduction in headcount for certain projects as a result of changes in the clients' customer care strategy (RM6.70 million).

Training and consultancy

The lower revenue for training and consultancy in the financial year quarter under review as compared to the preceding year corresponding quarter is due mainly to delay in the rollout of new training programmes.

**b. Profit before taxation**

The higher profit before tax for the current quarter as compared to the preceding year corresponding quarter is due primarily to the higher operating profit achieved by the outsourcing division from the new projects secured during the preceding year.



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**16. REVIEW OF PERFORMANCE (cont'd)**

**PERFORMANCE BY FINANCIAL PERIOD TO DATE**

<b>Financial period ended</b>	<b>31 Dec 2013</b>	<b>31 Dec 2012</b>	<b>Increase/ (decrease)</b>
<b>Revenue</b>	RM'000	RM'000	RM'000
Outsourcing	74,978	60,472	14,506
Training and consultancy	555	7,407	(6,852)
<b>Total revenue</b>	<b>75,533</b>	<b>67,879</b>	<b>7,654</b>
<b>Profit before taxation</b>	<b>10,392</b>	<b>6,583</b>	<b>3,809</b>

**a. Revenue**

Outsourcing

The Group's outsourcing business principally comprises services provided to clients on long term contracts. Additionally, clients require the Group to provide ad-hoc short term services. The higher revenue in the financial period to date as compared to the preceding year corresponding period was primarily due to projects that commenced operations in the preceding financial year (RM27.64 million).

The increase in revenue is offset by the reduction in headcount for certain projects as a result of changes in the clients' customer care strategy (RM13.53 million).

Training and consultancy

The lower revenue for training and consultancy in the financial year quarter under review as compared to the preceding year corresponding period is mainly due to delay in the rollout of new training programmes.

**b. Profit before taxation**

The higher profit before tax for the current quarter as compared to the preceding year corresponding period is due primarily to the higher operating profit achieved by the outsourcing division from the new projects secured during the preceding year.



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**17. COMPARISON WITH PRECEDING QUARTER'S RESULTS**

Financial quarter ended	31 Dec 2013	30 Sep 2013	Increase/ (decrease)
<b>Revenue</b>	RM'000	RM'000	RM'000
Outsourcing	38,472	36,506	1,966
Training and consultancy	36	519	(483)
<b>Total revenue</b>	<b>38,508</b>	<b>37,025</b>	<b>1,483</b>
<b>Profit before taxation</b>	<b>5,326</b>	<b>5,066</b>	<b>260</b>

**a. Revenue**

Outsourcing

The Group's outsourcing business principally comprises services provided to clients on long term contracts. Additionally, clients require the Group to provide ad-hoc short term services. The higher revenue in the financial quarter under review compared to the preceding quarter was primarily due to increase in billings for existing projects (RM2.79 million).

The increase in revenue is however offset by the cessation of a contract due to client's strategic decision to relocate its contact centre (RM0.75 million).

Training and consultancy

The lower revenue for training and consultancy in the financial quarter under review as compared to the preceding quarter is due to the delay in the rollout of new training programmes.

**b. Profit before taxation (PBT)**

The PBT for the current quarter is higher than the preceding quarter primarily due to the higher foreign exchange gain recognized (RM122K) and lower depreciation charged for the quarter (RM237K), even though there was a reduction in operating profit.



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**18. PROSPECTS FOR FINANCIAL YEAR 2014**

The Group registered double digit growth for the 2<sup>nd</sup> quarter of the financial year as compared to the preceding year, cumulating in an increase in revenue and profit before taxation of 11.28% and 57.86%, respectively for the financial period ended 31 December 2013. The increase in the Group's profitability is attributable to new Outsourcing business secured towards the end of the preceding financial year and this current financial year. Revenue and direct contribution for the current cumulative financial period from Outsourcing division has grown by 23.99% and 152.56% respectively as compared to the preceding financial period.

The Education division is expected to contribute to the Group's revenue and earnings in the 2<sup>nd</sup> half of the financial year 2014. The primary areas of contribution will be from:

1. Corporate and public sectors training programs.
2. Retail educational programs. Scicom International College Sdn Bhd (SIC) has been approved by Ministry of Education on 30 December 2013 to operate under the newly approved license name of Scicom College of Global Service Management. With this final approval, SIC is now empowered to recruit students for its Diploma in Service Management program which is approved by the Malaysian Qualification Agency (MQA). SIC has since applied to MQA for a further five (5) diploma programmes for which we expect relevant accreditation by this financial year end.

With contribution from new Outsourcing projects and educational products coming on stream this financial year, the Group is expected to show positive growth as compared to the preceding financial year.

**19. EXPLANATORY NOTES FOR VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST OR PROFIT GUARANTEE**

The Group did not publish any profit forecast in respect of the financial year ending 30 June 2014.



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**20. TAXATION**

	<b>Current Financial Quarter Ended 31.12.2013 RM '000</b>	<b>Current Financial Period Ended 31.12.2013 RM '000</b>
<u>Group</u>		
Current tax	19	35
Deferred tax	(24)	(175)
	(5)	(140)

Scicom's Multimedia Super Corridor pioneer status accords the Company with tax exemption on its statutory income in Malaysia. The Group's effective tax rate for the current financial year is thus lower than the Malaysian statutory tax rate of 25%. The conditional pioneer status expires on 6 November 2017.

A subsidiary of the Company has received tax assessment notices of RM1.3 million (INR23.8 million). These assessments are in respect to transfer pricing adjustments and the disallowance of certain expenses for tax purposes. The subsidiary has, as at 30 June 2013 paid RM0.4 million (INR7.2 million) in respect of the assessments. This amount has been classified as tax recoverable in the Group Statement of Financial Position. Currently, the subsidiary is challenging the assessments in the Income Tax Appellate Tribunal, in India. The Board of Directors has received expert advice on this matter from a tax advisor. Based on the advice received, the Board of Directors is of the view that no significant liability will crystallise from these assessments. Furthermore, the amount paid of RM0.4 million is likely to be recovered.

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**21. DIVIDENDS**

	<b>Financial Period Ending 31.12.2013</b>	<b>Preceding Financial Period Ended 31.12.2012</b>
<b>Interim dividend for the financial year ended 30 June</b>		
<u>2nd interim</u>	<b>2014</b>	
Approved and declared on	21-Feb-14	
Date payable	21-Mar-14	
Based on register members dated	07-Mar-14	
Amount per share	2.0 sen tax exempt	
Net dividend payable (RM)	5,924,226	
<b>Interim dividend for the financial year ended 30 June</b>	<b>2014</b>	<b>2013</b>
<u>1st interim</u>		
Approved and declared on	18-Nov-13	22-Feb-13
Date paid	16-Dec-13	22-Mar-13
Based on register members dated	02-Dec-13	08-Mar-13
Amount per share	1.0 sen tax exempt	1.0 sen tax exempt
Net dividend paid (RM)	2,962,113	2,962,113
<b>Interim dividend for the financial year ended 30 June</b>	<b>2013</b>	<b>2012</b>
<u>2nd interim</u>		
Approved and declared on	29-Aug-13	27-Aug-12
Date paid	27-Sep-13	28-Sep-12
Based on register members dated	12-Sep-13	13-Sep-12
Amount per share	2.0 sen tax exempt	1.0 sen tax exempt
Net dividend paid (RM)	5,924,226	2,962,113

**22. STATUS OF CORPORATE PROPOSALS ANNOUNCED**

There were no corporate proposals announced but not completed as at 21 February 2014, being the date of this report.





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 (Incorporated in Malaysia under the Companies Act, 1965)  
**SECOND QUARTER REPORT ENDED 31 DECEMBER 2013**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT**

**23. GROUP BORROWINGS AND DEBT SECURITIES**

The Group does not have any borrowings and debt securities as at 31 December 2013.

**24. CHANGES IN MATERIAL LITIGATION**

There were no material litigation matters dealt with during the financial year to date or pending as at 21 February 2014, being the date of this report.

**25. EARNINGS PER SHARE (“EPS”)**

The basic earnings per share for the financial quarter under review are computed as follows:

	<b>Current Financial Quarter Ended 31.12.2013</b>	<b>Current Financial Period Ended 31.12.2013</b>
Profit attributable to the Owners of the Company for the financial period (RM'000)	5,465	10,693
Weighted average number of ordinary shares in issue ('000)	296,211	296,211
Basic earnings per share (sen)	1.85	3.61

Diluted earnings per share is not applicable as the Company has no potential ordinary shares to be issued.



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**26. REALISED AND UNREALISED PROFIT**

The breakdown of the retained profit of the Group as at the reporting date, into realized and unrealized profits is as follows:

	<b>As at Current Financial Period Ended 31.12.2013</b>	<b>As at Financial Year Ended 30.6.2013</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained profit for Scicom and its subsidiaries :		
- Realised	33,485	31,870
- Unrealised	127	(395)
	33,612	31,475
Total share of retained profit from jointly controlled entity :		
- Realised	1,875	1,830
	35,487	33,305
Add : Consolidation adjustments	5,706	6,081
Total Group retained profits as per consolidated accounts	41,193	39,386

By order of the Board of Directors

LEO SURESH ARIYANAYAKAM  
 DIRECTOR  
 21 February 2014