

FOCUS DYNAMICS GROUP BERHAD (Company No: 582924-P)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 JUNE 2020

THE FIGURES HAVE NOT BEEN AUDITED

| | Note | INDIVIDUAL QUARTER | | CUMULATIVE QUARTERS | |
|--|------|--|--|--|--|
| | | UNAUDITED CURRENT QUARTER ENDED | UNAUDITED COMPARATIVE QUARTER ENDED | UNAUDITED CUMULATIVE YEAR TO DATE | UNAUDITED CUMULATIVE PRECEDING YEAR TO DATE |
| | | 30/06/2020 | 30/06/2019 | 30/06/2020 | 30/06/2019 |
| | | RM | RM | RM | RM |
| CONTINUING OPERATIONS | | | | | |
| REVENUE | A8 | 11,442,644 | 9,307,827 | 20,721,380 | 19,254,779 |
| COST OF SALES | | <u>(4,154,063)</u> | <u>(4,629,481)</u> | <u>(7,975,725)</u> | <u>(9,206,201)</u> |
| GROSS PROFIT | | 7,288,581 | 4,678,346 | 12,745,655 | 10,048,578 |
| OTHER INCOME | | 122,587 | 1,284,049 | 216,877 | 1,448,967 |
| OPERATING EXPENSES | | <u>(3,232,245)</u> | <u>(4,076,223)</u> | <u>(7,337,121)</u> | <u>(8,485,815)</u> |
| PROFIT/(LOSS) FROM OPERATIONS | | 4,178,923 | 1,886,172 | 5,625,411 | 3,011,730 |
| INTEREST INCOME | | 12,078 | 14,234 | 25,096 | 28,212 |
| INTEREST EXPENSES | | (183,302) | (16,811) | (402,121) | (33,581) |
| SHARE OF PROFIT/(LOSS) ON INVESTMENT IN JOINT VENTURE | | (215,753) | (106,270) | (226,510) | (350,691) |
| PROFIT/(LOSS) BEFORE TAX | | 3,791,946 | 1,777,325 | 5,021,876 | 2,655,670 |
| INCOME TAX EXPENSE | B6 | <u>(1,471,999)</u> | <u>(1,033,000)</u> | <u>(1,954,220)</u> | <u>(1,281,000)</u> |
| PROFIT/(LOSS) FOR THE PERIOD | | 2,319,947 | 744,325 | 3,067,656 | 1,374,670 |
| OTHER COMPREHENSIVE INCOME | | - | - | - | - |
| TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD | | <u>2,319,947</u> | <u>744,325</u> | <u>3,067,656</u> | <u>1,374,670</u> |
| PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO: | | | | | |
| OWNERS OF THE COMPANY | | 2,328,885 | 678,101 | 3,076,413 | 1,295,005 |
| NON-CONTROLLING INTEREST | | <u>(8,938)</u> | <u>66,224</u> | <u>(8,757)</u> | <u>79,665</u> |
| | | <u>2,319,947</u> | <u>744,325</u> | <u>3,067,656</u> | <u>1,374,670</u> |
| TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO: | | | | | |
| OWNERS OF THE COMPANY | | 2,328,885 | 678,101 | 3,076,413 | 1,295,005 |
| NON-CONTROLLING INTEREST | | <u>(8,938)</u> | <u>66,224</u> | <u>(8,757)</u> | <u>79,665</u> |
| | | <u>2,319,947</u> | <u>744,325</u> | <u>3,067,656</u> | <u>1,374,670</u> |
| Weighted average no shares | | 2,044,266,157 | 2,042,300,493 | 2,044,266,157 | 2,042,116,162 |
| Basic EPS (sen) | | 0.11 | 0.03 | 0.15 | 0.06 |
| Weighted average no shares | | - | 2,043,701,580 | - | 2,043,547,110 |
| Diluted EPS (sen) | | - | 0.03 | - | 0.06 |

NOTE:

1. The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for financial year ended 31 December 2019 and the accompanying explanatory notes to this Interim Financial Statements.

FOCUS DYNAMICS GROUP BERHAD (Company No: 582924-P)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

THE FIGURES HAVE NOT BEEN AUDITED

| | UNAUDITED AS AT 30/06/2020 | AUDITED AS AT 31/12/2019 |
|--|---|---|
| | RM | RM |
| ASSETS | | |
| Non-Current Assets | | |
| Investment in joint venture | 271,425 | 497,935 |
| Prepaid lease payment | 17,185,303 | 14,815,159 |
| Property, plant and equipment | 13,423,428 | 14,977,821 |
| Rights of use assets | 3,773,820 | 4,645,722 |
| Goodwill | 88,129 | 88,129 |
| | <u>34,742,105</u> | <u>35,024,766</u> |
| Current Assets | | |
| Inventories | 12,534,241 | 15,945,097 |
| Trade receivables | 3,877,233 | 1,421,688 |
| Other receivables, deposits and prepayments | 9,556,234 | 9,847,270 |
| Amount owing by joint venture | 16,480 | 82,086 |
| Short-term investments | 18,242 | 17,994 |
| Current tax assets | 842,474 | 229,384 |
| Deposits with licenced banks | 2,859,732 | 1,935,200 |
| Cash and bank balances | 13,118,443 | 5,193,256 |
| | <u>42,823,079</u> | <u>34,671,975</u> |
| TOTAL ASSETS | <u><u>77,565,184</u></u> | <u><u>69,696,741</u></u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners of the Company | | |
| Share capital | 86,965,549 | 86,965,549 |
| Foreign currency translation reserves | (20,072) | (13,784) |
| Accumulated losses | (44,444,950) | (47,521,363) |
| | <u>42,500,527</u> | <u>39,430,402</u> |
| Non-controlling interest | 1,364,628 | 1,373,385 |
| Total Equity | <u><u>43,865,155</u></u> | <u><u>40,803,787</u></u> |
| Liabilities | | |
| Non-Current Liabilities | | |
| Lease liabilities | 3,852,482 | 3,698,968 |
| Deferred tax liabilities | | - |
| Current Liabilities | | |
| Trade payables | 4,844,312 | 5,597,659 |
| Other payables and accruals | 10,780,318 | 7,143,167 |
| Provision for restoration | - | 412,620 |
| Amount owing to related parties | 10,083,228 | 9,358,600 |
| Bank overdrafts | 1,193,877 | 1,204,321 |
| Lease liabilities | 706,764 | 1,027,374 |
| Current tax liabilities | 2,239,048 | 450,245 |
| | <u>29,847,547</u> | <u>25,193,986</u> |
| Total Liabilities | <u><u>33,700,029</u></u> | <u><u>28,892,954</u></u> |
| TOTAL EQUITY AND LIABILITIES | <u><u>77,565,184</u></u> | <u><u>69,696,741</u></u> |
| | | 0 |
| Number of ordinary shares | 2,044,266,157 | 2,044,266,157 |
| Net assets per share attributable to ordinary equity holders of the Company (sen) | 2.08 | 1.93 |

NOTES:

1. The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for financial year ended 31 December 2019 and the accompanying explanatory notes to this Interim Financial Statements.

2. Net assets per share is derived based on Focus Dynamics Group Berhad's consolidated net assets of RM42,848,526 (FYE 31/12/19-RM39,430,402) over the issued number of ordinary shares of 2,044,266,157 (FYE 31/12/19 - 2,044,266,157)

FOCUS DYNAMICS GROUP BERHAD (Company No: 582924-P)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 JUNE 2020

THE FIGURES HAVE NOT BEEN AUDITED

| | -----Attributable to Owners of the Company-----> | | | | | | |
|---|--|--------------------|---|---|-------------------|---------------------------------|-------------------|
| | -----Non-distributable----- | | | Distributable | | | |
| | Share Capital | Warrant Reserve | Foreign currency translation Reserve | Retained Profits/ (Accumulated Losses) | Total | Non- Controlling Interest | Total Equity |
| | <u>RM</u> | <u>RM</u> | <u>RM</u> | <u>RM</u> | <u>RM</u> | <u>RM</u> | <u>RM</u> |
| Balance at 1 January 2019 | 86,815,822 | 31,773 | (13,312) | (45,717,847) | 41,116,436 | 1,148,261 | 42,264,697 |
| Issue of shares | 43,743 | (7,608) | - | - | 36,135 | - | 36,135 |
| Total comprehensive profit/ (loss) for the period | - | - | - | 1,295,005 | 1,295,005 | 79,665 | 1,374,670 |
| Balance at 30 June 2019 | <u>86,859,565</u> | <u>24,165</u> | <u>(13,312)</u> | <u>(44,422,842)</u> | <u>42,447,576</u> | <u>1,227,926</u> | <u>43,675,502</u> |
| Balance at 1 January 2020 | 86,965,549 | - | (13,784) | (47,521,363) | 39,430,402 | 1,373,385 | 40,803,787 |
| Issue of shares | - | - | - | - | - | - | - |
| Total comprehensive profit/ (loss) for the period | - | - | (6,288) | 3,076,413 | 3,070,125 | (8,757) | 3,061,368 |
| Balance at 30 June 2020 | <u>86,965,549</u> | <u>-</u> | <u>(20,072)</u> | <u>(44,444,950)</u> | <u>42,500,527</u> | <u>1,364,628</u> | <u>43,865,155</u> |

NOTE:

The Unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2019 and the accompanying explanatory notes to this Interim Financial Statements.

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FOCUS DYNAMICS GROUP BERHAD (Company No: 582924-P)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 JUNE 2020

| | CUMULATIVE QUARTERS | |
|--|--|--|
| | UNAUDITED CURRENT QUARTER ENDED | UNAUDITED COMPARATIVE QUARTER ENDED |
| | 30/06/2020 RM | 30/06/2019 RM |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash receipts from customers | 17,534,786 | 22,629,301 |
| Cash payments to suppliers and employees | (3,933,575) | (14,861,911) |
| Cash used in operations | <u>13,601,211</u> | <u>7,767,390</u> |
| Interest received | 25,096 | 28,212 |
| Interest paid | (13,765) | (29,961) |
| Income taxes paid | (799,341) | (1,100,151) |
| Income taxes refund | - | 180,125 |
| Net cash used in operating activities | <u>12,813,201</u> | <u>6,845,615</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment ("PPE") | (1,007,614) | (3,066,275) |
| Purchase of intangible assets | - | (3,620,551) |
| Purchase of investment properties | (2,370,145) | - |
| Investment in subsidiaries | 4 | - |
| Net cash used in investing activities | <u>(3,377,755)</u> | <u>(6,686,826)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from issuance of shares | - | 36,135 |
| Finance lease obtained | - | 102,000 |
| Payment of finance lease interest | (486) | (3,620) |
| Repayments of finance lease liabilities | (574,549) | (26,428) |
| Net cash (used in)/generated from financing activities | <u>(575,035)</u> | <u>108,087</u> |
| Net decrease in cash and cash equivalent | 8,860,411 | 266,876 |
| Cash and cash equivalent at beginning of period | <u>5,942,129</u> | <u>4,338,892</u> |
| Cash and cash equivalent at end of period | <u>14,802,540</u> | <u>4,605,768</u> |
| Cash and cash equivalent comprise: | | |
| Cash in hand and at banks | 13,118,443 | 3,878,076 |
| Short term deposits | 18,242 | 17,709 |
| Deposits with licensed banks | 2,859,732 | 1,919,841 |
| Bank overdraft | (1,193,877) | (1,209,858) |
| | <u>14,802,540</u> | <u>4,605,768</u> |

NOTES:

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2019 and the accompanying explanatory notes to this Interim Financial Statements.