



## **CC INTERNATIONAL BERHAD**

(Registration No: 201501043532 (1168853-K))

(Incorporated in Malaysia)

### **UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 6-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2024**

#### **CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”)**

**THE LEAP MARKET OF BURSA SECURITIES HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE OTHER MARKETS OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY CC INTERNATIONAL BERHAD (“CCIB” OR THE “COMPANY”). SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN THE COMPANY AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION AND IF APPROPRIATE, CONSULTATION WITH THEIR STOCKBROKER, MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS.**

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2024**

	<b>Unaudited 30.06.2024 RM</b>	<b>Audited 31.12.2023 RM</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,652,502	1,588,248
Right-of-use asset	1,293,711	1,459,636
Intangible assets	11,335,455	11,925,488
Goodwill	25,499,693	25,199,689
	<u>39,781,361</u>	<u>40,173,061</u>
<b>Current assets</b>		
Trade and other receivables	12,623,327	10,826,925
Current tax assets	1,065,900	799,577
Fixed deposits with licensed bank	-	20,195,372
Short term other investment	11,527,520	12,306,050
Other Investment	7,000,000	-
Cash and bank balances	20,775,814	13,223,718
	<u>52,992,561</u>	<u>57,351,642</u>
<b>TOTAL ASSETS</b>	<u>92,773,922</u>	<u>97,524,703</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	76,021,697	76,021,697
Foreign currency translation reserve	274,866	245,568
Retained profits	8,331,669	5,878,239
	<u>84,628,232</u>	<u>82,145,504</u>
Non-controlling interest	8,846	1,929,360
<b>TOTAL EQUITIES</b>	<u>84,637,078</u>	<u>84,074,864</u>
<b>Non-current liabilities</b>		
Loan and borrowing	-	4,006,045
Deferred tax liabilities	75,590	75,590
Lease liabilities	708,087	728,775
	<u>783,677</u>	<u>4,810,410</u>
<b>Current liabilities</b>		
Lease liabilities	657,504	805,395
Other payables and accrual	6,325,607	7,199,233
Current tax liabilities	370,056	634,801
	<u>7,353,167</u>	<u>8,639,429</u>
<b>TOTAL LIABILITIES</b>	<u>8,136,844</u>	<u>13,449,839</u>
<b>TOTAL EQUITIES AND LIABILITIES</b>	<u>92,773,922</u>	<u>97,524,703</u>

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**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

	<b>Unaudited (6 Months) 30.06.2024 RM</b>	<b>Unaudited (6 Months) 30.06.2023 RM</b>
Revenue	22,470,282	18,924,180
Cost of services	(2,252,918)	(2,130,658)
Staff and management cost	(11,561,657)	(8,678,098)
Other operating income	583,325	299,920
Other operating expenses	(146,205)	(51,774)
Operating expenses	(3,143,770)	(3,018,783)
Depreciation and amortisation	<u>(1,544,679)</u>	<u>(1,531,158)</u>
Profit from operations	4,404,378	3,813,629
Finance cost	<u>(110,630)</u>	<u>(200,357)</u>
Profit before tax	4,293,748	3,613,272
Tax expense	<u>(835,348)</u>	<u>(1,099,028)</u>
Net profit for the financial period	3,458,400	2,514,244
Exchange differences on translation of foreign operations	<u>35,198</u>	<u>87,503</u>
Profit for the financial period, representing total comprehensive income for the financial period	<u><u>3,493,598</u></u>	<u><u>2,601,747</u></u>
<b>Total comprehensive income attributable to</b>		
Owners of the Company	3,417,057	2,322,785
Non-controlling interest	<u>76,541</u>	<u>278,962</u>
	<u><u>3,493,598</u></u>	<u><u>2,601,747</u></u>

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024****----- Attributable to owners of the Company -----**

	<b>Share capital RM</b>	<b>Retained profits RM</b>	<b>Foregin currency translation reserve RM</b>	<b>Total RM</b>	<b>Non- controlling interest RM</b>	<b>Total equity RM</b>
1 January 2023	46,021,697	3,417,450	(101,715)	49,337,432	1,818,245	51,155,677
Changes in ownership interest in a subsidiary	-	-	-	-	44,712	44,712
Dividend paid		(3,978,244)		(3,978,244)	-	(3,978,244)
Total comprehensive income for the financial	-	2,261,207	61,580	2,322,787	278,962	2,601,749
At 30 June 2023	<u>46,021,697</u>	<u>1,700,413</u>	<u>(40,135)</u>	<u>47,681,975</u>	<u>2,141,919</u>	<u>49,823,894</u>
1 January 2024	76,021,697	5,878,239	245,568	82,145,504	1,929,360	84,074,864
Total comprehensive income for the financial period	-	3,387,759	29,298	3,417,057	76,541	3,493,598
Changes in ownership interest in a subsidiary	-	(934,329)	-	(934,329)	(1,997,055)	(2,931,384)
At 30 June 2024	<u>76,021,697</u>	<u>8,331,669</u>	<u>274,866</u>	<u>84,628,232</u>	<u>8,846</u>	<u>84,637,078</u>

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

	<b>Unaudited (6 Months) 30.06.2024 RM</b>	<b>Unaudited (6 Months) 30.06.2023 RM</b>
<b>Cash flows from operating activities</b>		
Profit before tax	4,293,748	3,613,272
Adjustments for :		
Amortisation of intangible assets	770,681	654,328
Depreciation of property, plant and equipments	261,620	225,627
Amortisation of right-of-use assets	543,061	589,740
Property, plant and equipment charged out	-	292,411
Bad debt recovered	-	(559)
Bad debt written off	111,017	91,440
Gain from disposal of other investments	(84,649)	-
Interest expenses	110,630	200,357
Interest income	(323,273)	(63,435)
<b>Operating profit before working capital changes</b>	<u>5,682,835</u>	<u>5,603,181</u>
Changes in:		
Trade receivables and other receivable	(1,888,402)	(2,077,681)
Other payable and accruals	(1,124,514)	(905,687)
<b>Cash (used in)/ generated from operations</b>	<u>2,669,919</u>	<u>2,619,813</u>
Tax paid	(1,371,712)	(710,292)
Interest received	323,273	63,435
<b>Net cash (used in)/ from operating activities</b>	<u>1,621,480</u>	<u>1,972,956</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(318,616)	(588,800)
Proceeds from disposal of investment	10,221,742	3,065,611
Withdrawal of investment in Fixed Deposit	20,195,372	-
Acquisition of other investment	(16,358,563)	(15,175)
Acquisition of intangible assets	(171,509)	(1,429,290)
Acquisition of non-controlling interest	(2,931,385)	-
Acquisition of subsidiaries, net of cash inflow	(90,770)	-
<b>Net cash used in investing activities</b>	<u>10,546,271</u>	<u>1,032,346</u>

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

	<b>Unaudited (6 Months) 30.06.2024 RM</b>	<b>Unaudited (6 Months) 30.06.2023 RM</b>
<b>Cash flows from financing activities</b>		
Interest paid	(110,630)	(200,357)
Financing from shareholders	-	(111,964)
Financing from ultimate holding company	(857)	(18,683)
Repayment to borrowings	(3,625,621)	-
Repayment from/ (to) related parties	(9,603)	134,164
Repayment from/ (to) related companies	252	(507)
Repayment of lease liability	(541,749)	(391,005)
Dividend paid	-	(3,978,244)
<b>Net cash from/ (used in) financing activities</b>	<u>(4,288,208)</u>	<u>(4,566,596)</u>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	7,879,542	(1,561,294)
Effect of change translation differences	(327,446)	105,961
Cash and cash equivalents at beginning of financial period	<u>13,223,718</u>	<u>9,478,873</u>
<b>Cash and cash equivalents at end of financial period</b>	<u><u>20,775,814</u></u>	<u><u>8,023,540</u></u>

## **CC INTERNATIONAL BERHAD**

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### **A. EXPLANATORY NOTES TO THE INTERIM FINANCIALS FOR THE 6-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2024**

#### **A1. Basis of preparation**

The unaudited interim financial statements of CC International Berhad (“**Company**”) and its subsidiaries (collectively, the “**Group**”) for the 6-month financial period ended (“**FPE**”) 30 June 2024 have been prepared in accordance with the Malaysian Financial Reporting Standard (“**MFRS**”) 134: Interim Financial Reporting.

This is the interim financial report on the consolidated results for the FPE 30 June 2024 announced by the Company in compliance with the LEAP Market Listing Requirements of Bursa Securities (“**Listing Requirements**”). The interim financial report should be read in conjunction with the Audited Consolidated Financial Statements of the Company for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

#### **A2. Changes in Accounting Policies**

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the latest Audited Consolidated Financial Statements of the Company for the financial year ended 31 December 2023 except for the following new MFRSs and amendments to MFRSs that have issued by the Malaysian Accounting Standards Board but are not yet effective for the Group.

##### **Effective for annual periods beginning on or after 1 January 2024**

Amendments to MFRS 16 Leases: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101 Presentation of Financial Statements – Classification of Liabilities as current or Non-Current

Amendments to MFRS 101 Presentation of Financial Statements – Non-current Liabilities with Covenants

Amendments to MFRS 107 Statements of Cash Flows and MFRS 7 Financial Instruments Disclosures – Supplier Finance Arrangements

Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The adoption for the above MFRSs and amendments to MFRSs are not expected to have any material impact on the financial statements of the Group upon initial application.

#### **A3. Seasonal or cyclical factors**

The Group typically experience higher demand for its tax and corporate secretarial services during the second and third quarters of the year as many of its clients’ tax and statutory filings are due for submission to the relevant authorities during that period. Apart from that, the Group does not experience seasonality in respect of other professional services.

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### **A. EXPLANATORY NOTES TO THE INTERIM FINANCIALS FOR THE 6-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2024 (CONT'D)**

#### **A4. Material changes in accounting estimates**

There were no material changes in accounting estimates during the current financial period under review.

#### **A5. Changes in the composition of the Group**

Save as disclosed below, there were no other material changes in the composition of the Group during the current financial period under review:

- (i) On 31 January 2024, CCIB had entered into a share sale agreement with Ong Chee Seng for the acquisition of Indah Asia Alliance Limited (mainly involved in the business of provision of corporate secretarial services), including all its subsidiary companies, for a total cash consideration of RM0.934 million. The said acquisition exercise was completed on 6 February 2024;
- (ii) On 13 February 2024, CCIB announced that it had entered into a share sale agreement with Match Property Ltd for the acquisition of the remaining 41.5% equity interest in M Property Management Pty Ltd not held by CCIB for a total cash consideration of RM2.93million. The said acquisition exercise was completed on 27<sup>th</sup> February 2024; and
- (iii) On 3 June 2024, Cheng & Co Advisory (S) Pte Ltd, a wholly- owned subsidiary of CCIB, had entered into take over of clientele agreement with Highlight Business Pte Ltd (mainly involved in the business of financial and management consultancy firm for the acquisition of its clientele and assets for a total cash consideration of approximately RM4.26 million. The said acquisition exercise is expected to be completed by the 3rd quarter of 2024. For clarification purposes, all the abovementioned acquisition exercises are not subject to the approvals of CCIB's shareholder. (On 3 June 2024, Cheng & Co Advisory (S) Pte Ltd, a 100% owned subsidiary of the Company, had entered into agreement with Highlight Business Pte Ltd for the acquisition of business comprising the clientele and assets of Highlight Business Pte Ltd for a cash consideration of SGD1.226 million. The said acquisition is expected to be completed end of September 2025  
Save for the acquisition, there are no other material events subsequent to the end of the current FPE 30 June 2024 that have not been disclosed in this report.

#### **A6. Debt and equity securities**

Company did not issue, cancel, repurchase, resell and repay any debt and equity securities during the current financial period under review.

#### **A7. Acquisition and disposals of property, plant and equipment**

There were no material acquisition and disposal of property, plant and equipment during the current financial period under review.

#### **A8. Capital commitments**

The Group does not have any capital commitments as at 30 June 2024.

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**B. ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS****B1. Segmental Information****(i) Analysis of revenue**

	<b>Unaudited (6 Months) 30.06.2024 RM</b>	<b>Unaudited (6 Months) 30.06.2023 RM</b>
GBS - Accounting and business service outsourcing	6,500,908	5,439,987
Taxation	4,841,570	5,140,326
Corporate secretarial	5,288,753	4,065,435
Property Management	2,691,185	2,512,018
Business consultancy	1,172,487	978,144
Wealth management	1,975,379	788,270
Total	<u>22,470,282</u>	<u>18,924,180</u>

The Group recorded a higher revenue of RM22.5 million during the 6-month FPE 30 June 2024, which represented an increase of RM3.5 million (or 18.7%) as compared to a total revenue of RM18.9 million during 6-month FPE 30 June 2023.

The said increase in revenue was mainly due to the following key factors:

- (i) higher revenue contribution from GBS – Accounting and business service outsourcing services by RM1.1 million, mainly due to increased clientele base as a result of, amongst others, new clientele acquired from our recent mergers and acquisition exercises, as well as organic growth; and
- (ii) higher revenue contribution from corporate secretarial services by RM1.2 million, mainly due to increased clientele base as a result of, amongst others, new clientele acquired from our recent mergers and acquisition exercises, as well as organic growth; and
- (iii) higher revenue contribution from wealth management services by RM1.2 million, mainly due to one off professional and initial equity fee to FT Properties Berhad.

**(ii) Analysis of profit before tax (“PBT”)**

In tandem with the increase in total revenue as mentioned above, the Group recorded a higher PBT of RM4.3 million during the 6-month FPE 30 June 2024, which represented an increase of approximately RM0.7 million as compared to a total PBT of RM3.6 million during the 6-month FPE 30 June 2023.

Correspondingly, the Group recorded a higher profit after tax of RM3.5 million during the 6-month FPE 30 June 2024 as compared to a total profit after tax of RM2.6 million during the 6-month FPE 30 June 2023.

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**B. ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS (CONT'D)****B2. Related party transactions**

Save as disclosed below, there were no other material related party transactions during the current financial period under review:

	<b>30.06.2024</b>	<b>30.06.2023</b>
	<b>RM</b>	<b>RM</b>
<b><u>Transaction with directors and company in which certain directors have substantial financial interests</u></b>		
Sale	15,499	35,482
Rental of premise (income)	37,900	47,100
Rental of premise	(400,306)	(391,600)
Outsourcing income	19,400	93,127
	<u>19,400</u>	<u>93,127</u>

All related party transactions had been entered into the ordinary course of business and transacted on a negotiated basis.

**B3. Income tax expenses**

	<b>30.06.2024</b>	<b>30.06.2023</b>
	<b>RM</b>	<b>RM</b>
<i>Income tax</i>		
Current tax	835,348	1,099,028
	<u>835,348</u>	<u>1,099,028</u>

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**B. ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS (CONT'D)**

**B4. Commentary on prospects**

The Board of Directors of CCIB (“**Board**”) expects the Group’s outlook to remain positive in view that its GBS – Accounting and business service outsourcing, taxation and corporate secretarial services are essential services to its clients. As such, given the continuing need of its clients to comply with the relevant administrative and statutory regulations, the Board anticipates that there will be continuing demand for such professional services.

Further, the Group had, during the 1<sup>st</sup> half of 2024, undertaken 3 acquisition exercises (as set out in note **B1** above) so to expand its services offerings to other regional markets such as Hong Kong and Singapore as part of its long-term growth strategy. These acquisition exercises are expected to be earnings accretive to the Group.

In addition, CCIB had on 26 July 2023 announced that it had completed a placement exercise which raised total gross proceeds of RM30.0 million (“**Placement**”). Part of the proceeds raised totaling RM20.7 million will be channeled towards funding the Group’s future mergers and/or acquisitions of companies/businesses that are principally involved in the business of provision of professional business services, which is part of its long-term growth strategy. The balance fund to be utilized as at 22<sup>nd</sup> August 2024 is RM13.249 million.

Considering the Group’s expansion plans as stated above, as well as its positive financial results during the 6-month FPE 30 June 2024, the Board is optimistic over the Group’s future prospects.

**B5. Variance of actual profit from profit forecast and profit guarantee**

The Group has not issued any profit forecast or profit guarantee in any form of public document.

**B6. Status of corporate exercises**

There is no other corporate proposal announced but not completed as at the date of this report.

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**C. OTHER INFORMATION****C1. Status of Utilisation of Proceeds**

CCIB had on 26 July 2023 announced that it had completed the Placement exercise. As at 22nd August 2024, the status of utilisation of the gross proceeds raised from the Placement exercise is as follows:

<b>Purpose</b>	<b>Proposed Utilisation</b>	<b>Actual Utilisation</b>	<b>Balance</b>	<b>Estimated timeframe for utilisation upon listing of the placement shares on 26 July 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
(i) Future mergers and/or acquisitions of companies/businesses principally involved in the business of provision of professional business services	20,700	7,451	13,249	Within 24 months
(ii) Purchase and/or co-invest in new office	7,000	7,000	-	Within 24 months
(iii) Procurement of Information Technology	500	228	272	Within 12 months
(iv) Working capital	1,700	1,700	-	Within 12 months
(v) Estimated expenses in respect of the Proposed Placement	100	100	-	Immediate
<b>Total</b>	<b>30,000</b>	<b>16,479</b>	<b>13,521</b>	

The estimated time frame for procurement of Information Technology will be carry over for another 12 months

**C2. Loans and Borrowings**

The Group's total borrowings as at 30 June 2024 are as follows:

	<b>(Unaudited) As at 30.06.2024 RM</b>	<b>(Audited) As at 31.12.2023 RM</b>
<b>Bank loan</b>	-	3,872,075

The borrowings had been fully repaid and discharged on 16 February 2024.

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**C. OTHER INFORMATION (CONT'D)****C3. Dividend**

Since the end of the previous financial year, the Company had on 22 July 2024 paid an interim single tier dividend of 0.6 cents per share totalling RM3,022,080 in respect of the financial year ended 31 December 2024.

Apart from the above, there are no other dividends being proposed by the Board.

**C4. Material litigations**

There are no material litigations as at the date of this report.

**C5. Earnings per share**

	<b>30.06.2024</b>	<b>30.06.2023</b>
	<b>RM</b>	<b>RM</b>
Profit attributable to owners of the Company	<u>3,417,057</u>	<u>2,322,785</u>
Weighted average number of ordinary shares	<u>478,381,005</u>	<u>383,062,743</u>
Basic earnings per ordinary share (sen)	<u>0.71</u>	<u>0.61</u>

**C6. Subsequent Events**

There is no subsequent event as at the date of this report.

This report is dated 22.08.24.