

Statements of Cash Flows

For the Financial Period from 1 January 2022 to 30 June 2023

EXCEL FORCE MSC BERHAD

	Group		Company	
	30.6.2023	31.12.2021	30.6.2023	31.12.2021
	RM	RM	RM	RM
Cash flows from operating activities				
Profit before tax	16,353,838	16,885,529	17,049,543	17,148,015
Adjustments for:				
Amortisation of product development costs	4,024,257	2,710,519	3,481,881	2,319,300
Depreciation of:				
- property, plant and equipment	1,303,335	754,047	1,187,730	688,276
- right-of-use assets	561,372	344,187	561,372	344,187
Impairment losses on trade receivables	22,243	-	8,966	-
Gain on disposal of property, plant and equipment	(44,397)	(124,857)	(44,397)	(124,857)
Property, plant and equipment written off	1	806	1	774
Provision of loss claim	-	600,000	-	600,000
Dividend income	-	-	(570,000)	(470,000)
Interest income from:				
- deposits with licensed banks	(107,361)	(50,101)	(80,244)	(39,443)
- short-term funds	(118,313)	(64,999)	(118,313)	(64,999)
Finance cost	41,438	29,875	41,438	29,875
Reversal of impairment losses on trade receivables	-	(109,416)	-	(108,573)
Share of result of an associate	(18,048)	-	-	-
Unrealised gain on foreign exchange	(27,241)	(9,181)	(27,241)	(9,181)
Waiver of amount due from a subsidiary company	-	-	-	285,370
Operating profit before working capital changes	21,991,124	20,966,409	21,490,736	20,598,744
Changes in working capital:				
Inventories	-	(6,520)	-	(6,520)
Receivables	139,538	6,053,133	273,171	6,036,719
Payables	(1,442,027)	(1,222,573)	(1,323,689)	(1,281,437)
Contract liabilities	1,067,033	949,132	992,520	992,210
Subsidiary companies	-	-	-	(2,526,587)
Cash generated from operations	21,755,668	26,739,581	21,432,738	23,813,129
Dividend received	-	-	570,000	470,000
Tax paid	(5,052,792)	(5,636,270)	(4,705,798)	(5,574,224)
Net cash from operating activities	16,702,876	21,103,311	17,296,940	18,708,905

Statements of Cash Flows (Cont'd)

EXCEL FORCE MSC BERHAD

	Note	Group		Company	
		30.6.2023 RM	31.12.2021 RM	30.6.2023 RM	31.12.2021 RM
Cash flows from investing activities					
Additions of product development costs		(7,281,466)	(2,953,584)	(6,176,304)	(2,043,016)
Acquisition of:					
- property, plant and equipment	4	(2,231,832)	(454,885)	(2,214,980)	(436,846)
- right-of-use assets	5	(270,547)	-	(270,547)	-
- a subsidiary company	8(a)	(15,525)	-	(30,000)	-
- non-controlling interests	8(b)	(1)	-	(1)	-
- an associate	9	(300,000)	-	(300,000)	-
- other investments	10	(1,962,300)	-	(1,962,300)	-
Interest income from:					
- deposits with licensed banks		107,361	50,101	80,244	39,443
- short-term funds		118,313	64,999	118,313	64,999
Proceeds from disposal of property, plant and equipment		44,400	176,196	59,619	176,196
Proceeds from disposal of quoted investment		-	261,980	-	261,980
Net cash used in investing activities		<u>(11,791,597)</u>	<u>(2,855,193)</u>	<u>(10,695,956)</u>	<u>(1,937,244)</u>
Cash flows from financing activities					
Interest paid		(41,438)	(29,875)	(41,438)	(29,875)
Repayment from a subsidiary company		-	-	(605,625)	-
Dividends paid	32	(5,593,784)	(8,390,676)	(5,593,784)	(8,390,676)
Payment of lease liabilities		(489,906)	(333,200)	(489,906)	(333,200)
Net cash used in financing activities		<u>(6,125,128)</u>	<u>(8,753,751)</u>	<u>(6,730,753)</u>	<u>(8,753,751)</u>
Net (decrease)/increase in cash and cash equivalents					
		(1,213,849)	9,494,367	(129,769)	8,017,910
Effect of exchange translation differences on cash and cash equivalents		28,199	8,604	28,199	8,604
Cash and cash equivalents at the beginning of the financial year					
		<u>32,356,372</u>	<u>22,853,401</u>	<u>30,151,875</u>	<u>22,125,361</u>
Cash and cash equivalents at the end of the financial period/year					
	16	<u>31,170,722</u>	<u>32,356,372</u>	<u>30,050,305</u>	<u>30,151,875</u>

The accompanying notes form an integral part of the financial statements.