

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	Note	Group		Company	
		2020 RM	2019 RM	2020 RM	2019 RM
<b>Cash flows from operating activities</b>					
(Loss)/Profit before tax		(7,167,027)	37,598,494	(28,100,307)	3,220,124
Adjustments for:					
Amortisation of intangible asset		1,043,828	3,226,196	-	-
Bad debt recovered		-	(48,394)	-	(48,394)
Bad debt written off		73,185	73,409	-	-
Depreciation of property, plant and equipment		1,709,660	2,889,743	18,832	21,475
Depreciation of right-of-use assets		2,789,029	-	-	-
Dividend income		-	-	(11,130,000)	(8,330,000)
Employee benefits		90,338	170,379	-	-
Fair value loss on consideration/contingent consideration payable		1,080,831	-	1,080,831	-
Finance costs		2,117,908	1,528,679	870,291	436,998
Finance income		(1,766,772)	(1,704,274)	(120,304)	(128,237)
Fair value gain on investment properties		-	(80,000)	-	-
Gain on disposal of property, plant and equipment		(95,782)	(166,243)	-	-
Gain on disposal of right-of-use assets		(17,675)	-	-	-
Inventories written down to net realisable value		228,415	290,890	-	-
Net allowance/(reversal) of impairment losses on:					
- amount due from subsidiaries		-	-	35,449	432,879
- contract assets		1,662,638	-	-	-
- goodwill		13,751,382	-	-	-
- investment in subsidiaries		-	-	36,474,613	3,247,111
- trade receivables		19,284,227	(1,145,707)	-	-
Property, plant and equipment written off		5,185	3,490	-	-
Rent concession income		(18,150)	-	-	-
Reversal of short-term accumulating compensated absences		-	(9,959)	-	-
Right-of-use assets written off		61,779	-	-	-
Share of results of associate		24,023	(181,505)	-	-
Share options granted under ESOS		432,202	641,849	98,964	216,027
Unrealised gain on foreign exchange		(259,417)	(242,529)	-	-
<b>Operating profit/(loss) before changes in working capital, carried forward</b>		<b>35,029,807</b>	<b>42,844,518</b>	<b>(771,631)</b>	<b>(932,017)</b>

**AWC BERHAD**

Statements Of  
Cash Flows  
For the Financial Year ended 30 June 2020  
(cont'd)

	Note	2020 RM	Group 2019 RM	2020 RM	Company 2019 RM
<b>Cash flows from operating activities (cont'd)</b>					
<b>Operating profit/(loss) before changes in working capital, brought forward</b>		35,029,807	42,844,518	(771,631)	(932,017)
<u>Changes in working capital:</u>					
Inventories		(9,525,126)	875,301	-	-
Trade and other receivables/ Contract assets		7,787,934	(18,951,204)	1,106,800	4,233,297
Trade and other payables/ Contract liabilities		1,173,864	6,666,798	133,718	(56,900)
Cash generated from operations		34,466,479	31,435,413	468,887	3,244,380
Dividend received		-	-	11,130,000	8,330,000
Income tax paid		(9,229,193)	(10,604,127)	(310,791)	(136,624)
Income tax refunded		831,836	581,062	-	191,824
Interest paid		(2,117,908)	(1,528,679)	(870,291)	(436,998)
Net cash from operating activities		23,951,214	19,883,669	10,417,805	11,192,582
<b>Cash flows from investing activities</b>					
Acquisition of a subsidiary, net of cash acquired	9	-	(17,927,286)	-	(20,000,000)
Finance income		1,040,112	1,294,367	1,920	15,312
Placement of short-term investments		(57,200,000)	(31,800,000)	(8,400,000)	(1,800,000)
Proceeds from disposal of property, plant and equipment		97,273	190,700	-	-
Proceeds from disposal of right-of-use assets		55,968	-	-	-
Proceeds from disposal of short-term investments		50,500,000	30,584,787	8,500,000	1,400,000
Purchase of property, plant and equipment	(a)	(1,184,977)	(1,811,913)	(57,611)	-
(Advances to)/Repayment from subsidiaries		-	-	(2,366,704)	206,915
Net cash used in investing activities		(6,691,624)	(19,469,345)	(2,322,395)	(20,177,773)

Statements Of  
Cash Flows  
For the Financial Year ended 30 June 2020  
(cont'd)

	Note	Group		Company	
		2020 RM	2019 RM	2020 RM	2019 RM
<b>Cash flows from financing activities</b>	(b)				
Advances from/(Repayment to) subsidiaries		–	–	10,341,973	(5,562,424)
Change in pledged deposits		1,939,050	488,230	–	–
Dividend paid to:					
- Owners of the Company		(4,422,068)	(2,884,088)	(4,422,068)	(2,884,088)
- Non-controlling interests		(4,580,000)	(2,210,000)	–	–
Drawdown of revolving credits		1,500,000	17,475,000	–	17,000,000
Drawdown of term loans		11,000,000	10,000,000	–	–
Drawdown of trade loan		1,855,697	433,528	–	–
Payment of lease/finance lease liabilities		(2,725,099)	(814,051)	–	–
Proceeds from exercise of ESOS		955,472	1,687,640	955,472	1,687,640
Purchase of treasury shares		(431,860)	–	(431,860)	–
Repayment of revolving credits		(15,975,000)	–	(15,500,000)	–
Repayment of term loans		(4,113,116)	(8,702,039)	–	–
<b>Net cash (used in)/from financing activities</b>		<b>(14,996,924)</b>	<b>15,474,220</b>	<b>(9,056,483)</b>	<b>10,241,128</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>2,262,666</b>	<b>15,888,544</b>	<b>(961,073)</b>	<b>1,255,937</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>		<b>57,733,232</b>	<b>40,837,484</b>	<b>1,521,389</b>	<b>265,452</b>
Effects of exchange rate changes on cash and cash equivalents		867,579	1,007,204	–	–
<b>Cash and cash equivalents at the end of the financial year</b>	17	<b>60,863,477</b>	<b>57,733,232</b>	<b>560,316</b>	<b>1,521,389</b>