

## EDARAN BERHAD

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	<u>Current Year</u>	<u>Corresponding Year</u>	<u>Current Year</u>	<u>Corresponding Year</u>
	<u>Quarter</u>	<u>Quarter</u>	<u>To Date</u>	<u>To Date</u>
	<u>31/03/2014</u>	<u>31/03/2013</u>	<u>31/03/2014</u>	<u>31/03/2013</u>
	RM'000	RM'000	RM'000	RM'000
REVENUE	9,592	10,462	26,972	31,357
COST OF SALES	<u>(7,420)</u>	<u>(7,235)</u>	<u>(19,967)</u>	<u>(22,751)</u>
GROSS PROFIT	2,172	3,227	7,005	8,606
OTHER OPERATING INCOME	81	147	396	4,861
ADMINISTRATIVE EXPENSES	(2,429)	(2,642)	(7,397)	(8,444)
OTHER OPERATING EXPENSES	<u>(1,031)</u>	<u>(1,431)</u>	<u>(3,275)</u>	<u>(4,944)</u>
(LOSS) / PROFIT FROM OPERATIONS	(1,207)	(699)	(3,271)	79
FINANCE COSTS	<u>(102)</u>	<u>(97)</u>	<u>(288)</u>	<u>(278)</u>
LOSS BEFORE TAXATION	(1,309)	(796)	(3,559)	(199)
TAXATION	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
LOSS AFTER TAXATION	<u><u>(1,309)</u></u>	<u><u>(796)</u></u>	<u><u>(3,559)</u></u>	<u><u>(199)</u></u>
(LOSS) / EARNINGS PER SHARE (SEN)	<u><u>(2.32)</u></u>	<u><u>(1.33)</u></u>	<u><u>(6.29)</u></u>	<u><u>0.31</u></u>
ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	(1,343)	(768)	(3,642)	182
MINORITY INTEREST	<u>34</u>	<u>(28)</u>	<u>83</u>	<u>(381)</u>
	<u><u>(1,309)</u></u>	<u><u>(796)</u></u>	<u><u>(3,559)</u></u>	<u><u>(199)</u></u>

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)

EDARAN BERHAD

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014

		<u>AS AT END</u> <u>OF CURRENT YEAR</u> <u>TO DATE</u>	<u>AS AT</u> <u>PRECEDING YEAR</u> <u>FINANCIAL YEAR</u> <u>ENDED</u>
	Note	<u>31/03/2014</u> RM'000	<u>30/06/2013</u> RM'000
<b>ASSETS</b>			
NON - CURRENT ASSETS			
Property, plant and equipment		24,970	26,379
Other investment	20	-	-
		24,970	26,379
CURRENT ASSETS			
Inventories		7,743	6,897
Amount due from customers for contract works		4,297	4,164
Trade and other receivables		6,151	6,026
Deposit with licensed banks		3,279	10,507
Cash and bank balances		578	517
		22,048	28,111
<b>TOTAL ASSETS</b>		<b>47,018</b>	<b>54,490</b>
<b>EQUITY AND LIABILITIES</b>			
Equity attributable to owners of the Company			
Share capital		60,000	60,000
Share premium		8,022	8,022
Treasury shares		(1,049)	(1,049)
Revaluation reserve		5,900	5,900
Translation reserve		(486)	(198)
Accumulated loss		(38,748)	(35,106)
		33,639	37,569
Non - controlling interests		(2,801)	(2,609)
<b>TOTAL EQUITY</b>		<b>30,838</b>	<b>34,960</b>
NON - CURRENT LIABILITIES			
Borrowings	22 (b)	669	728
Deferred taxation		1,962	1,962
		2,631	2,690
CURRENT LIABILITIES			
Amount due to customers for contract works		916	806
Trade and other payables		8,516	11,148
Borrowings	22 (a)	4,117	4,886
		13,549	16,840
Total liabilities		16,180	19,530
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>47,018</b>	<b>54,490</b>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)

EDARAN BERHAD

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 31 MARCH 2014

	← Non-Distributable →						Attributable to Equity Holders of the Company		Minority Interest	Total Equity
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Revaluation Reserve RM'000	Translation Reserve RM'000	AFS Reserve RM'000	Accumulated Loss RM'000	Total RM'000	RM'000	Total RM'000
At 1 July 2013	60,000	8,022	(1,049)	5,900	(198)	-	(35,106)	37,569	(2,609)	34,960
Foreign currency translation	-	-	-	-	(288)	-	-	(288)	(275)	(563)
Loss for the period	-	-	-	-	-	-	(3,642)	(3,642)	83	(3,559)
Total comprehensive loss for the period	-	-	-	-	(288)	-	(3,642)	(3,930)	(192)	(4,122)
<b>At 31 MARCH 2014</b>	<b>60,000</b>	<b>8,022</b>	<b>(1,049)</b>	<b>5,900</b>	<b>(486)</b>	<b>-</b>	<b>(38,748)</b>	<b>33,639</b>	<b>(2,801)</b>	<b>30,838</b>
At 1 July 2012	60,000	8,022	(1,049)	5,928	(314)	2	(34,542)	38,047	(2,204)	35,843
Foreign currency translation	-	-	-	-	166	-	-	166	-	166
Loss for the period	-	-	-	-	-	-	182	182	(381)	(199)
Total comprehensive loss for the period	-	-	-	0	166	-	182	348	(381)	(33)
<b>At 31 MARCH 2013</b>	<b>60,000</b>	<b>8,022</b>	<b>(1,049)</b>	<b>5,928</b>	<b>(148)</b>	<b>2</b>	<b>(34,360)</b>	<b>38,395</b>	<b>(2,585)</b>	<b>35,810</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)

# **EDARAN BERHAD**

## **NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2014**

### **1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) No 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad (“BMSB”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2013. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2013.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the financial statements for the year ended 30 June 2013.

### **2. Auditors’ Report on Preceding Annual Financial Statements**

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

### **3. Comments About Seasonal or Cyclical Factors**

The Group’s performance is not affected by seasonal or cyclical impacts.

### **4. Unusual Items Due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows in the current quarter and financial period ended 31 March 2014

**EDARAN BERHAD****CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR QUARTER ENDED 31 MARCH 2014**

	Current Year to date 31/03/14 RM' 000	Corresponding Year to date 31/03/13 RM' 000
Net cash (used in)/generated from operating activities	(5,959)	(5,142)
Net cash (used in)/generated from investing activities	(238)	3,923
Net cash generated from/(used in) financing activities	<u>(662)</u>	<u>2,381</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(6,859)	1,162
Effect of Exchange rate changes	(374)	270
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	5,542	1,166
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u><u>(1,691)</u></u>	<u><u>2,598</u></u>

Cash and cash equivalents comprise the following:

Bank overdrafts	(2,600)	(2,822)
Deposits with licensed banks	3,279	8,015
Cash and bank balances	<u>578</u>	<u>447</u>
	1,257	5,640
Less: Deposits pledged as security with licensed banks	<u>(2,948)</u>	<u>(3,042)</u>
	<u><u>(1,691)</u></u>	<u><u>2,598</u></u>

**(The condensed Consolidated Cash Flow Statement should be read in conjunction with the  
Annual Financial Report for the year ended 30 June 2013)**

## 5. Changes in estimates

There were no changes in the estimates that have had a material effect in the current quarter and financial period ended 31 March 2014.

## 6. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the current quarter and financial period ended 31 March 2014 other than as mentioned below:-

As at 31 March 2014, the Company held as treasury shares a total of 2,094,800 of its 60,000,000 issued ordinary shares. Such treasury shares are held at a carrying amount of RM1,049,536.

## 7. Dividends Paid

There is no dividend paid during the financial period ended 31 March 2014.

## 8. Segmental Information

	Current Quarter Ended 31/03/14 RM'000	Current Year To Date Ended 31/03/14 RM'000
Segment Revenue		
Information Technology	6,923	20,025
Telecommunications	-	-
Lifestyles	2,669	6,947
Others	162	486
	<u>9,754</u>	<u>27,458</u>
Elimination	(162)	(486)
Group revenue	<u>9,592</u>	<u>26,972</u>
Segment Results		
Information Technology	(73)	(114)
Telecommunications	(281)	(672)
Lifestyles	2	(16)
Others	(710)	(2,033)
	<u>(1,062)</u>	<u>(2,835)</u>
Elimination	(145)	(436)
Loss from operations	<u>(1,207)</u>	<u>(3,271)</u>

## **9. Carrying Amount of Revalued Assets**

The valuation of property, plant and equipment and investment properties have been brought forward without amendment from the financial statements for the year ended 30 June 2013.

## **10. Subsequent Events**

There were no material events subsequent to the end of the current quarter and financial period ended 31 March 2014.

## **11. Changes in Composition of the Group**

There were no changes in the composition of the Group during the current quarter and financial period ended 31 March 2014.

## **12. Changes in Contingent Liabilities and Contingent Assets**

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet as at 30 June 2013.

## **13. Capital Commitments**

There were no capital commitments for the current quarter and financial period ended 31 March 2014.

## **14. Performance Review**

The Group's revenue for the current quarter and financial period ended 31 March 2014 decreased to RM26.972 million from RM31.357 million in the prior corresponding quarter and financial period ended 31 March 2013. The decrease in gross profit margin and revenue resulted in the Group recording a loss before taxation of RM3.559 million compared to a loss before taxation of RM199 thousand for the corresponding quarter and financial period ended 31 March 2013.

## 15. Comment on Material Change in Profit Before Taxation

The Group recorded a loss before taxation of RM1.309 million for the current quarter ended 31 March 2014 (3Q14) as compared to RM557 thousand loss before taxation for the quarter ended 31 December 2013 (2Q14). The variance was mainly attributable to lower gross profit of RM2.172 million registered in 3Q14 as compared RM2.848 million registered in 2Q14.

## 16. Commentary on Prospects

The financial performance of the Group is expected to improve in the subsequent quarters.

## 17. Profit Forecast or Profit Guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interest and shortfall in profit guarantee are not applicable.

## 18. Taxation

	Current Quarter Ended 31/03/14 RM'000	Current Year To Date Ended 31/03/14 RM'000
Current year provision	Nil	Nil
Tax recoverable arising from dividend income received	Nil	Nil
Under/(over) provision in prior years	<u>Nil</u>	<u>Nil</u>
	Nil	Nil
Deferred tax:		
Relating to the origination and reversal of temporary differences	Nil	Nil
Over provision in prior years	<u>Nil</u>	<u>Nil</u>
	<u>Nil</u>	<u>Nil</u>



## 19. Sale of Unquoted Investments and Properties

There were no sales of unquoted investments and properties during the quarter and financial period ended 31 March 2014.

## 20. Quoted and Unquoted securities

- i. There was no purchase or sale of quoted shares for the current quarter and financial year to date.
- ii. Investments in quoted and unquoted securities/warrants as at the end of the reporting period:-

	<u>RM'000</u>
<u>Quoted</u>	
Shares, at cost	5
Less: Accumulated impairment losses	(5)
Total investment at book value	<u>0</u>

## 21. Corporate Proposals

There were no corporate proposals announced for the current period and financial year to date.

## 22. Borrowings and Debt Securities

Details of the Group borrowings as at 31 March 2014 are as follows:

As at  
31.03.14  
RM'000

### (a) Short Term borrowings Secured

Bank Overdraft	2,600
Trust Receipts	-
Bankers Acceptance	1,344
Term loan repayable within 12 months	35
Hire purchase creditor repayable within 12 months	138
	<hr/>
	4,117
	<hr/>

### (b) Long Term borrowings Secured

Term loan repayable after 12 months	524
Hire purchase creditor after 12 months	145
	<hr/>
	669
	<hr/>

All of the above borrowings are denominated in Ringgit Malaysia.

## 23. Off Balance Sheet Financial Instruments

The Group is not involved in any financial instruments, which may have Off-Balance Sheet risk.

## 24. Dividend

No interim dividend has been declared or recommended in respect of the financial year ending 30 June 2014.

## 25. Earnings per share

	Current Quarter ended 31/03/14 RM'000	Current Year To Date Ended 31/03/14 RM'000
<b>Basic</b>		
Net loss attributable to equity holders of the Company for the period	(1,343)	(3,642)
Weighted average number of ordinary shares outstanding as at 30 June 2013	57,905	57,905
Basic loss per share (sen)	(2.32)	(6.29)
<b>Diluted</b>		
Net loss attributable to equity holders of the Company for the period	(1,343)	(3,642)
Weighted average number of ordinary shares outstanding as at 30 June 2013	57,905	57,905
Basic loss per share (sen)	(2.32)	(6.29)

## 26. Realised and unrealised retained earnings / accumulated loss

	As at 31/03/14 RM'000	As at 31/03/13 RM'000
<b>Total Accumulated Loss (Company and subsidiaries)</b>		
- Realised	(38,748)	(34,360)
- Unrealised	-	-
<b>Total group accumulated loss</b>	<b>(38,748)</b>	<b>(34,360)</b>

## 27. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 28 May 2014.

**BY ORDER OF THE BOARD**

**DATIN RIZANA MOHD DAUD**  
Company Secretary