

**EDARAN BERHAD**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
	<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>30/06/2016</u>	<u>30/06/2015</u>	<u>30/06/2016</u>	<u>30/06/2015</u>
	RM'000	RM'000	RM'000	RM'000
REVENUE	10,471	9,646	38,817	46,179
COST OF SALES	<u>(7,284)</u>	<u>(6,420)</u>	<u>(28,280)</u>	<u>(32,625)</u>
GROSS PROFIT	3,187	3,226	10,537	13,554
OTHER OPERATING INCOME	244	212	457	597
ADMINISTRATIVE EXPENSES	(3,042)	(1,969)	(10,699)	(8,911)
OTHER OPERATING EXPENSES	<u>(1,555)</u>	<u>(1,034)</u>	<u>(4,154)</u>	<u>(4,187)</u>
PROFIT / (LOSS) FROM OPERATIONS	(1,166)	435	(3,859)	1,053
FINANCE COSTS	<u>(178)</u>	<u>(169)</u>	<u>(643)</u>	<u>(568)</u>
PROFIT / (LOSS) BEFORE TAXATION	(1,344)	266	(4,502)	485
TAXATION	<u>(182)</u>	<u>(195)</u>	<u>(296)</u>	<u>(195)</u>
PROFIT / (LOSS) AFTER TAXATION	<u><u>(1,526)</u></u>	<u><u>71</u></u>	<u><u>(4,798)</u></u>	<u><u>290</u></u>
EARNINGS / (LOSS) PER SHARE (SEN)	<u><u>(2.04)</u></u>	<u><u>0.11</u></u>	<u><u>(7.47)</u></u>	<u><u>0.31</u></u>
ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	(1,180)	62	(4,326)	180
NON-CONTROLLING INTERESTS	<u>(346)</u>	<u>9</u>	<u>(472)</u>	<u>110</u>
	<u><u>(1,526)</u></u>	<u><u>71</u></u>	<u><u>(4,798)</u></u>	<u><u>290</u></u>

**(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2015)**

## EDARAN BERHAD

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

		<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>30/06/2016</u> RM'000	<u>30/06/2015</u> RM'000
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment		22,666	23,692
Other investment	20	-	-
		<u>22,666</u>	<u>23,692</u>
<b>CURRENT ASSETS</b>			
Inventories		11,236	10,814
Amount due from customers for contract work		4,896	3,649
Trade receivables		4,746	4,612
Other receivables		2,401	2,539
Deposit with licensed banks		920	3,178
Cash and bank balances		603	6,337
		<u>24,802</u>	<u>31,129</u>
<b>TOTAL ASSETS</b>		<u><b>47,468</b></u>	<u><b>54,821</b></u>
<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		5,785	5,792
Translation reserve		(349)	(497)
Accumulated loss		<u>(43,278)</u>	<u>(39,035)</u>
		29,131	33,233
Non - controlling interests		<u>(2,966)</u>	<u>(2,642)</u>
<b>TOTAL EQUITY</b>		<u><b>26,165</b></u>	<u><b>30,591</b></u>
<b>NON - CURRENT LIABILITIES</b>			
Borrowings	22 (b)	3,463	3,447
Deferred taxation		1,831	1,908
		<u>5,294</u>	<u>5,355</u>
<b>CURRENT LIABILITIES</b>			
Amount due to customers for contract works		1,577	1,825
Trade payables		5,675	8,119
Other payables		4,479	2,705
Provision for taxation		368	200
Borrowings	22 (a)	3,910	6,026
		<u>16,009</u>	<u>18,875</u>
Total liabilities		<u>21,303</u>	<u>24,230</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>47,468</b></u>	<u><b>54,821</b></u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June 2015)

EDARAN BERHAD

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 JUNE 2016

	← 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	Accumulated Loss RM'000	Total RM'000	RM'000	Total RM'000
At 1 July 2015	60,000	8,022	(1,049)	5,792	(497)	(39,035)	33,233	(2,642)	30,591
Foreign currency translation	-	-	-	-	148	-	148	148	296
Effect of changes of tax rate on revaluation reserve	-	-	-	76	-	-	76	-	76
Profit for the period	-	-	-	-	-	(4,326)	(4,326)	(472)	(4,798)
Total comprehensive loss for the period	-	-	-	76	148	(4,326)	(4,102)	(324)	(4,426)
Realisation of revaluation reserve				(83)		83	0	-	0
<b>At 30 JUNE 2016</b>	<b>60,000</b>	<b>8,022</b>	<b>(1,049)</b>	<b>5,785</b>	<b>(349)</b>	<b>(43,278)</b>	<b>29,131</b>	<b>(2,966)</b>	<b>26,165</b>
At 1 July 2014	60,000	8,022	(1,049)	5,846	(898)	(39,296)	32,625	(3,090)	29,535
Foreign currency translation	-	-	-	-	401	-	401	339	740
Crystallisation of deferred tax liability on revaluation reserve	-	-	-	27	-	-	27	-	27
Profit for the period	-	-	-	-	-	180	180	109	289
Total comprehensive loss for the period	-	-	-	27	401	180	608	448	1,056
Realisation of revaluation reserve				(81)		81	-	-	-
<b>At 30 JUNE 2015</b>	<b>60,000</b>	<b>8,022</b>	<b>(1,049)</b>	<b>5,792</b>	<b>(497)</b>	<b>(39,035)</b>	<b>33,233</b>	<b>(2,642)</b>	<b>30,591</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 2015)

**EDARAN BERHAD**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR QUARTER ENDED 30 JUNE 2016**

	Current Year to date 30/06/16 RM' 000	Corresponding Year to date 30/06/15 RM' 000
Net cash (used in)/generated from operating activities	(5,953)	2,625
Net cash (used in)/generated from investing activities	(207)	(236)
Net cash generated from/(used in) financing activities	<u>137</u>	<u>5,513</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(6,023)	7,902
Effect of Exchange rate changes	263	(81)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	5,652	(2,169)
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u>(108)</u>	<u>5,652</u>

Cash and cash equivalents comprise the following:

Bank overdrafts	(1,067)	(1,030)
Deposits with licensed banks	920	3,179
Cash and bank balances	<u>603</u>	<u>6,337</u>
	456	8,486
Less: Deposits pledged as security with licensed banks	(564)	(2,834)
	<u>(108)</u>	<u>5,652</u>

**(The condensed Consolidated Cash Flow Statement should be read in conjunction with the  
Annual Financial Report for the year ended 30 June 2015)**

# **EDARAN BERHAD**

## **NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 30 JUNE 2016**

### **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 2015. 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 2015.

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 2015.

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

The auditors’ report on the financial statements for the year ended 30 June 2015 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 30 June 2016

## 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 30 June 2016.

## 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 30 June 2016 other than as mentioned below:-

As at 30 June 2016, 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 30 June 2016.

## 8. Segmental Information

	Current Quarter Ended 30/06/16 RM'000	Current Year To Date Ended 30/06/16 RM'000
Segment Revenue		
Information Technology	8,434	29,642
Telecommunications	-	-
Lifestyles	2,037	9,175
Others	180	720
	<u>10,651</u>	<u>39,537</u>
Elimination	(180)	(720)
Group revenue	<u>10,471</u>	<u>38,817</u>
Segment Results		
Information Technology	275	1,060
Telecommunications	(154)	(1,003)
Lifestyles	(633)	(1,167)
Others	8,414	6,822
	<u>7,902</u>	<u>5,712</u>
Elimination	(9,068)	(9,571)
Loss from operations	<u>(1,166)</u>	<u>(3,859)</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 2015.

**10. Subsequent Events**

There were no material events subsequent to the end of the current quarter and financial period ended 30 June 2016.

**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 30 June 2016.

**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 2015.

**13. Capital Commitments**

There were no capital commitments for the current quarter and financial period ended 30 June 2016.

**14. Performance Review**

The Group's revenue for the current quarter and financial period ended 30 June 2016 decreased to RM38.817 million from RM46.179 million in the prior corresponding quarter and financial period ended 30 June 2015. The decrease in revenue resulted in the Group recording a loss before taxation of RM4.502 million compared to a profit before taxation of RM485 thousand for the corresponding quarter and financial period ended 30 June 2015.

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

The Group recorded a loss before taxation of RM1.344 million for the current quarter ended 30 June 2016 (4Q16) as compared to RM1.448 million loss before taxation for the quarter ended 31 March 2016 (3Q16). The variance was mainly attributable to slightly higher gross profit of RM3.074 million registered in 4Q16 as compared to RM2.319 million registered in 3Q16.

## 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 30/06/16 RM'000	Current Year To Date Ended 30/06/16 RM'000
Provision for Current year tax	(182)	(182)
Reversal of prior year tax		
Under/(over) provision in prior years	Nil	(114)
	<u>(182)</u>	<u>(296)</u>
Deferred tax:		
Provision for deferred tax	(26)	(26)
Tax income from crystallisation	26	26
	<u>(182)</u>	<u>(296)</u>

## 19. Sale of Unquoted Investments and Properties

There were no sales of unquoted investments and properties during the quarter and financial period ended 30 June 2016.



## 20. Quoted and Unquoted securities

There was no purchase or sale of quoted shares for the current quarter and financial year to date.

## 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 30 June 2016 are as follows:

As at  
30.06.16  
RM'000

### (a) Short Term borrowings Secured

Bank Overdraft	1,067
Trust Receipts	-
Bankers Acceptance	2,393
Term loan repayable within 12 months	398
Hire purchase creditor repayable within 12 months	52
	<hr/>
	3,910
	<hr/>

### (b) Long Term borrowings Secured

Term loan repayable after 12 months	3,463
Hire purchase creditor after 12 months	0
	<hr/>
	3,463
	<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 ended 30 June 2016.

## 25. Earnings per share

	Current Quarter ended 30/06/16 RM'000	Current Year To Date Ended 30/06/16 RM'000
<b>Basic</b>		
Net loss attributable to equity holders of the Company for the period	(1,180)	(4,326)
Weighted average number of ordinary shares outstanding as at 30 June 2016	57,905	57,905
Basic loss per share (sen)	(2.04)	(7.47)
<b>Diluted</b>		
Net loss attributable to equity holders of the Company for the period	(1,180)	(4,326)
Weighted average number of ordinary shares outstanding as at 30 June 2016	57,905	57,905
Basic loss per share (sen)	(2.04)	(7.47)

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

	As at 30/06/16 RM'000	As at 30/06/15 RM'000
<b>Total Accumulated Loss (Company and subsidiaries)</b>		
- Realised	(43,278)	(39,035)
- Unrealised	-	-
Total group accumulated loss	<b>(43,278)</b>	<b>(39,035)</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 29 August 2016.

**BY ORDER OF THE BOARD**

**DATIN RIZANA MOHD DAUD**  
Company Secretary