

EDARAN BERHAD

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year	Corresponding Year	Current Year	Corresponding Year
	Quarter	Quarter	To Date	To Date
	<u>31/12/2017</u>	<u>31/12/2016</u>	<u>31/12/2017</u>	<u>31/12/2016</u>
	RM'000	RM'000	RM'000	RM'000
REVENUE	34,402	35,386	52,470	43,601
COST OF SALES	<u>(28,133)</u>	<u>(31,304)</u>	<u>(41,710)</u>	<u>(36,351)</u>
GROSS PROFIT	6,269	4,082	10,760	7,250
OTHER OPERATING INCOME	79	93	218	139
ADMINISTRATIVE EXPENSES	(4,335)	(2,854)	(7,224)	(5,614)
OTHER OPERATING EXPENSES	<u>(1,365)</u>	<u>(1,011)</u>	<u>(2,452)</u>	<u>(2,212)</u>
PROFIT / (LOSS) FROM OPERATIONS	648	310	1,302	(437)
FINANCE COSTS	<u>(373)</u>	<u>(144)</u>	<u>(787)</u>	<u>(350)</u>
PROFIT / (LOSS) BEFORE TAXATION	275	166	515	(787)
TAXATION	0	0	0	0
PROFIT / (LOSS) AFTER TAXATION	<u>275</u>	<u>166</u>	<u>515</u>	<u>(787)</u>
EARNINGS / (LOSS) PER SHARE (SEN)	<u>1.08</u>	<u>0.67</u>	<u>2.19</u>	<u>(0.71)</u>
ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	623	389	1,271	(411)
MINORITY INTEREST	<u>(348)</u>	<u>(223)</u>	<u>(756)</u>	<u>(376)</u>
	<u>275</u>	<u>166</u>	<u>515</u>	<u>(787)</u>

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2017)

EDARAN BERHAD

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

		<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>31/12/2017</u> RM'000	<u>30/06/2017</u> RM'000
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment		28,133	30,056
Other investment	20	-	-
		<u>28,133</u>	<u>30,056</u>
CURRENT ASSETS			
Inventories		9,260	10,511
Amount due from customers for contract works		14,431	1,718
Trade receivables		1,804	10,842
Other receivables		4,720	3,185
Deposit with licensed banks		18,509	136
Cash and bank balances		2,726	18,081
		<u>51,450</u>	<u>44,473</u>
TOTAL ASSETS		<u>79,583</u>	<u>74,529</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		68,022	68,022
Treasury shares		(1,049)	(1,049)
Revaluation reserve		8,536	8,536
Translation reserve		(347)	252
Accumulated loss		(44,238)	(45,509)
		<u>30,924</u>	<u>30,252</u>
Non - controlling interests		(5,651)	(4,330)
TOTAL EQUITY		<u>25,273</u>	<u>25,922</u>
NON - CURRENT LIABILITIES			
Borrowings	22 (b)	5,749	4,637
Deferred taxation		2,731	2,731
		<u>8,480</u>	<u>7,368</u>
CURRENT LIABILITIES			
Amount due to customers for contract works		3,923	4,654
Trade payables		30,273	26,841
Other payables		5,427	3,122
Provision for taxation		862	924
Borrowings	22 (a)	5,345	5,698
		<u>45,830</u>	<u>41,239</u>
Total liabilities		<u>54,310</u>	<u>48,607</u>
TOTAL EQUITY AND LIABILITIES		<u>79,583</u>	<u>74,529</u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June 2017)

EDARAN BERHAD

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 2017

	← 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 2017	68,022	-	(1,049)	8,536	252	(45,509)	30,252	(4,330)	25,922
Foreign currency translation	-	-	-	-	(599)	-	(599)	-565	(1,164)
Profit for the period	-	-	-	-	-	1,271	1,271	(756)	515
Total comprehensive loss for the period	-	-	-	-	(599)	1,271	672	(1,321)	(649)
At 31 December 2017	68,022	0	(1,049)	8,536	(347)	(44,238)	30,924	(5,651)	25,273
At 1 July 2016	60,000	8,022	(1,049)	5,785	(349)	(43,451)	28,958	(2,965)	25,993
Foreign currency translation	-	-	-	-	545	-	545	524	1,069
Property Revaluation Surplus	-	-	-	3,943	-	-	3,943	-	3,943
Loss for the period	-	-	-	-	-	(411)	(411)	(376)	(787)
Total comprehensive loss for the period	-	-	-	3,943.00	545	(411)	4,077	148	4,225
At 31 December 2016	60,000	8,022	(1,049)	9,728	196	(43,862)	33,035	(2,817)	30,218

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2017)

EDARAN BERHAD

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR QUARTER ENDED 31 DECEMBER 2017**

	Current Year to date 31/12/17 RM' 000	Corresponding Year to date 31/12/16 RM' 000
Net cash (used in)/generated from operating activities	2,043	21,210
Net cash (used in)/generated from investing activities	(65)	240
Net cash generated from/(used in) financing activities	<u>2,101</u>	<u>(294)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	4,079	21,156
Effect of Exchange rate changes	(1,164)	984
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	18,108	(108)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>21,023</u></u>	<u><u>22,032</u></u>
Cash and cash equivalents comprise the following:		
Bank overdrafts	-	-
Deposits with licensed banks	18,509	19,727
Cash and bank balances	<u>2,726</u>	<u>2,855</u>
	21,235	22,582
Less: Deposits pledged as security with licensed banks	<u>(212)</u>	<u>(550)</u>
	<u><u>21,023</u></u>	<u><u>22,032</u></u>

**(The condensed Consolidated Cash Flow Statement should be read in conjunction with the
Annual Financial Report for the year ended 30 June 2017)**

EDARAN BERHAD

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2017

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 2017. 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 2017.

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 2017.

2. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the year ended 30 June 2017 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 December 2017.

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 December 2017.

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 December 2017 other than as mentioned below:-

As at 31 December 2017, 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 December 2017.

8. Segmental Information

	Current Quarter Ended 31/12/17 RM'000	Current Year To Date Ended 31/12/17 RM'000
Segment Revenue		
Information Technology	33,645	50,437
Telecommunications	-	-
Lifestyle	757	2,033
Others	858	1,716
	<u>35,260</u>	<u>54,186</u>
Elimination	(858)	(1,716)
Group revenue	<u>34,402</u>	<u>52,470</u>
Segment Results		
Information Technology	2,081	3,843
Telecommunications	(309)	(553)
Lifestyle	(799)	(1,706)
Others	(241)	(114)
	<u>732</u>	<u>1,470</u>
Elimination	(84)	(168)
Profit from operations	<u>648</u>	<u>1,302</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 2017.

10. Subsequent Events

There were no material events subsequent to the end of the current quarter and financial period ended 31 December 2017.

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 December 2017.

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 2017.

13. Capital Commitments

There were no capital commitments for the current quarter and financial period ended 31 December 2017.

14. Performance Review

The Group's revenue for the current quarter and financial period ended 31 December 2017 increased to RM52.470 million from RM43.601 million in the prior corresponding quarter and financial period ended 31 December 2016. This resulted in the Group recording a profit before taxation of RM515 thousand compared to a loss before taxation of RM787 thousand in the corresponding quarter and financial period ended 31 December 2016.

15. Comment on Material Change in Profit Before Taxation

The Group recorded a profit before taxation of RM275 thousand for the current quarter ended 31 December 2017 (2Q18) as compared to RM240 thousand profit before taxation for the quarter ended 30 September 2017 (1Q18). The variance was mainly attributable to higher gross profit of RM6.269 million registered in 2Q18 as compared to RM4.491 million registered in 1Q18.

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 31/12/17 RM'000	Current Year To Date Ended 31/12/17 RM'000
Current year provision	Nil	Nil
Tax recoverable arising from dividend income received	Nil	Nil
Under/(over) provision in prior years	Nil	Nil
	<hr/>	<hr/>
Deferred tax:		
Relating to the origination and reversal of temporary differences	Nil	Nil
Over provision in prior years	Nil	Nil
	<hr/>	<hr/>
	<hr/>	<hr/>

19. Sale of Unquoted Investments and Properties

There were no sales of unquoted investments and properties during the quarter and financial period ended 31 December 2017.

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 31 December 2017 are as follows:

As at
31.12.17
RM'000

(a) Short Term borrowings Secured

Bank Overdraft	-
Trust Receipts	-
Bankers Acceptance	1,701
Term loan repayable within 12 months	549
Hire purchase creditor repayable within 12 months	3,095
	<hr/>
	5,345

(b) Long Term borrowings Secured

Term loan repayable after 12 months	5,535
Hire purchase creditor after 12 months	214
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	5,749

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 2017.

25. Earnings per share

	Current Quarter ended 31/12/17 RM'000	Current Year To Date Ended 31/12/17 RM'000
Basic		
Net profit attributable to equity holders of the Company for the period	623	1,271
Weighted average number of ordinary shares as at 30 June 2017	57,905	57,905
Basic earnings per share (sen)	1.08	2.19
Diluted		
Net profit attributable to equity holders of the Company for the period	623	1,271
Weighted average number of ordinary shares as at 30 June 2017	57,905	57,905
Basic earnings per share (sen)	1.08	2.19

26. Realised and unrealised retained earnings / accumulated loss

	As at 31/12/17 RM'000
Total Accumulated Loss (Company and subsidiaries)	
- Realised	(41,506)
- Unrealised	(2,732)
Total group accumulated loss	(44,238)

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 14 February 2018.

BY ORDER OF THE BOARD

ASBANIZAM ABU BAKAR
Company Secretary