

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
	30/06/2019	30/06/2018	30/06/2019	30/06/2018
	RM'000	RM'000	RM'000	RM'000
REVENUE	8,926	21,231	54,090	150,285
COST OF SALES	(3,497)	(12,620)	(34,968)	(124,123)
GROSS PROFIT	5,429	8,611	19,122	26,162
OTHER OPERATING INCOME	35	371	402	808
ADMINISTRATIVE EXPENSES	(3,594)	(3,615)	(12,426)	(13,939)
OTHER OPERATING EXPENSES	(7,614)	(4,298)	(10,242)	(8,603)
(LOSS)/PROFIT FROM OPERATIONS	(5,744)	1,069	(3,144)	4,428
FINANCE COSTS	(30)	(937)	(888)	(1,918)
(LOSS)/PROFIT BEFORE TAXATION	(5,774)	132	(4,032)	2,510
PROFIT FROM DILUTION OF HOLDINGS IN A FORMER SUBSIDIARY	0	6,008	0	6,008
TAXATION	(661)	(1,549)	(917)	(1,582)
(LOSS)/PROFIT AFTER TAXATION	(6,435)	4,591	(4,949)	6,936
(LOSS)/EARNINGS PER SHARE (SEN)	(11.25)	5.66	(8.65)	12.44
ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	(6,513)	3,279	(5,008)	7,203
NON-CONTROLLING INTERESTS	78	1,312	59	(267)
	(6,435)	4,591	(4,949)	6,936

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2018)

EDARAN BERHAD

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	<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>30/06/2019</u> RM'000	<u>30/06/2018</u> RM'000
ASSETS		
NON - CURRENT ASSETS		
Property, plant and equipment	24,401	26,345
Investment in Associate	-	1,039
	<u>24,401</u>	<u>27,384</u>
CURRENT ASSETS		
Amount due from customers for contract works	4,892	21
Amount due by related company	5,743	11,486
Trade receivables	15,217	6,517
Other receivables	1,895	6,242
Deposit with licensed banks	243	29,871
Cash and bank balances	1,144	2,138
	<u>29,134</u>	<u>56,275</u>
TOTAL ASSETS	<u>53,535</u>	<u>83,659</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	8,241	8,388
Translation reserve	(6)	3
Accumulated loss	<u>(48,878)</u>	<u>(44,017)</u>
	26,330	31,347
Non - controlling interests	<u>(1,007)</u>	<u>(1,064)</u>
TOTAL EQUITY	<u>25,323</u>	<u>30,283</u>
NON - CURRENT LIABILITIES		
Borrowings	5,586	7,097
Deferred taxation	2,635	2,681
	<u>8,221</u>	<u>9,778</u>
CURRENT LIABILITIES		
Amount due to customers for contract works	5,065	7,589
Trade payables	7,029	30,439
Other payables	3,473	2,520
Provision for taxation	1,806	1,602
Borrowings	2,618	1,448
	<u>19,991</u>	<u>43,598</u>
Total liabilities	<u>28,212</u>	<u>53,376</u>
TOTAL EQUITY AND LIABILITIES	<u>53,535</u>	<u>83,659</u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June 2018)

EDARAN BERHAD

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 JUNE 2019

	← Non-Distributable →				Accumulated Loss RM'000	Attributable to Equity Holders of the Company	Minority Interest	Total Equity
	Share Capital RM'000	Treasury Shares RM'000	Revaluation Reserve RM'000	Translation Reserve RM'000		Total RM'000	RM'000	Total RM'000
At 1 July 2018	68,022	(1,049)	8,388	3	(44,017)	31,347	(1,064)	30,283
Foreign currency translation (Loss) / Profit for the period	-	-	-	(9)	-	(9)	(2)	(11)
Total comprehensive loss for the period	-	-	-	(9)	(5,008)	(5,008)	59	(4,949)
Realisation of revaluation reserve			(147)		147	-	-	-
At 30 JUNE 2019	68,022	(1,049)	8,241	(6)	(48,878)	26,330	(1,007)	25,323
At 1 July 2017	68,022	(1,049)	8,535	252	(45,509)	30,251	(4,330)	25,921
Unrealised gain from dilution of holdings in a former subsidiary					(6,008)	(6,008)		(6,008)
Foreign currency translation Profit / (loss) for the period	-	-	-	(249)	150	(99)	(231)	(330)
Total comprehensive profit for the period	-	-	-	(249)	7,353	7,104	(498)	6,606
Transfer of Minority Interest							3,764	3,764
Realisation of revaluation reserve			(147)		147	-	-	-
At 30 JUNE 2018	68,022	(1,049)	8,388	3	(44,017)	31,347	(1,064)	30,283

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual
Financial Report for the year ended 30 June 2018)

EDARAN BERHAD**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR QUARTER ENDED 30 JUNE 2019**

	Current Year to date 30/06/19 RM' 000	Corresponding Year to date 30/06/18 RM' 000
Net cash (used in)/generated from operating activities	(60,700)	17,228
Net cash (used in)/generated from investing activities	(122)	(604)
Net cash generated from/(used in) financing activities	<u>30,209</u>	<u>(3,035)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(30,613)	13,589
Effect of Exchange rate changes	(11)	100
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	31,797	18,108
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>1,173</u></u>	<u><u>31,797</u></u>

Cash and cash equivalents comprise the following:

Deposits with licensed banks	243	2,138
Cash and bank balances	<u>1,144</u>	<u>29,871</u>
	1,387	32,009
Less: Deposits pledged as security with licensed banks	<u>(214)</u>	<u>(212)</u>
	<u><u>1,173</u></u>	<u><u>31,797</u></u>

**(The condensed Consolidated Cash Flow Statement should be read in conjunction with the
Annual Financial Report for the year ended 30 June 2018)**

EDARAN BERHAD

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 30 JUNE 2019

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 2018. 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 2018.

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 2018.

2. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the year ended 30 June 2018 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 2019

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 2019.

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 2019 other than as mentioned below:-

As at 30 June 2019, 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 2019.

8. Segmental Information

	Current Quarter Ended 30/06/19 RM'000	Current Year To Date Ended 30/06/19 RM'000
Segment Revenue		
Information Technology	11,426	56,590
Lifestyle & Telecommunication	-	-
Others	1,685	4,340
	<u>13,111</u>	<u>60,930</u>
Elimination	(4,185)	(6,840)
Group revenue	<u>8,926</u>	<u>54,090</u>
Segment Results		
Information Technology	2,486	6,477
Lifestyle & Telecommunication	(270)	(1,215)
Others	(6,076)	(6,353)
	<u>(3,860)</u>	<u>(1,091)</u>
Elimination	(1,884)	(2,053)
Loss from operations	<u>(5,744)</u>	<u>(3,144)</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 2018.

10. Subsequent Events

There were no material events subsequent to the end of the current quarter and financial period ended 30 June 2019.

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 2019.

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 2018.

13. Capital Commitments

There were no capital commitments for the current quarter and financial period ended 30 June 2019.

14. Performance Review

The Group's revenue for the current quarter and financial period ended 30 June 2019 decreased to RM54.090 million from RM150.285 million in the prior corresponding quarter and financial period ended 30 June 2018. The decrease in revenue and the impairment of investment and advances to associate company PT Linewin of RM6.782million resulted in the Group recording a loss before taxation of RM4.032 million compared to a profit before taxation of RM2.510 million for the corresponding quarter and financial period ended 30 June 2018.

15. Comment on Material Change in Profit Before Taxation

The Group recorded a loss before taxation of RM5.774 million for the current quarter ended 30 June 2019 (4Q19) as compared to RM424 thousand profit before taxation for the quarter ended 31 March 2019 (3Q19). The variance was mainly attributable to higher operating expenses of RM11.208 million incurred in 4Q19 (mainly due to impairment of investment and advances to associate company PT Linewin of RM6.782million) compared to RM3.727 million incurred in 3Q19.

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 30/06/19 RM'000	Current Year To Date Ended 30/06/19 RM'000
Provision for Current year tax	380	380
Refund/Reversal of prior year tax	(32)	(32)
Under/(over) provision in prior years	358	614
	<u>706</u>	<u>962</u>
Deferred tax:		
Provision for deferred tax	Nil	Nil
Tax income from crystallisation	(45)	(45)
	<u>661</u>	<u>917</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 2019.

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 2019 are as follows:

	As at 30.06.19 RM'000
(a) <u>Short Term borrowings</u>	
<u>Secured</u>	
Bank Overdraft	-
Bankers Acceptance	1,678
Term loan repayable within 12 months	320
Hire purchase creditor repayable within 12 months	620
	<hr/> 2,618 <hr/>
(b) <u>Long Term borrowings</u>	
<u>Secured</u>	
Term loan repayable after 12 months	4,817
Hire purchase creditor after 12 months	769
	<hr/> 5,586 <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 2019.

25. Earnings per share

	Current Quarter ended 30/06/19 RM'000	Current Year To Date Ended 30/06/19 RM'000
Basic		
Net loss attributable to equity holders of the Company for the period	6,513	5,008
Weighted average number of ordinary shares outstanding as at 30 June 2018	57,905	57,905
Basic loss per share (sen)	11.25	8.65
Diluted		
Net loss attributable to equity holders of the Company for the period	6,513	5,008
Weighted average number of ordinary shares outstanding as at 30 June 2018	57,905	57,905
Basic loss per share (sen)	11.25	8.65

26. Realised and unrealised retained earnings / accumulated loss

	As at 30/06/19 RM'000
Total Accumulated Loss (Company and subsidiaries)	
- Realised	(46,423)
- Unrealised	(2,455)
Total group accumulated loss	(48,878)

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 27 August 2019.

BY ORDER OF THE BOARD

ASBANIZAM ABU BAKAR
Company Secretary