

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>31/12/2019</u>	<u>31/12/2018</u>	<u>31/12/2019</u>	<u>31/12/2018</u>
	RM'000	RM'000	RM'000	RM'000
REVENUE	12,697	14,031	19,636	35,494
COST OF SALES	<u>(7,528)</u>	<u>(8,935)</u>	<u>(11,246)</u>	<u>(26,001)</u>
GROSS PROFIT	5,169	5,096	8,390	9,493
OTHER OPERATING INCOME	298	124	341	300
ADMINISTRATIVE EXPENSES	(4,000)	(3,231)	(7,003)	(5,881)
OTHER OPERATING EXPENSES	<u>(923)</u>	<u>(940)</u>	<u>(1,753)</u>	<u>(1,852)</u>
PROFIT / (LOSS) FROM OPERATIONS	544	1,049	(25)	2,060
FINANCE COSTS	<u>(45)</u>	<u>(275)</u>	<u>(115)</u>	<u>(742)</u>
PROFIT / (LOSS) BEFORE TAXATION	499	774	(140)	1,318
TAXATION	0	(296)	(15)	(268)
PROFIT / (LOSS) AFTER TAXATION	<u>499</u>	<u>478</u>	<u>(155)</u>	<u>1,050</u>
EARNINGS / (LOSS) PER SHARE (SEN)	<u>0.74</u>	<u>0.84</u>	<u>(0.38)</u>	<u>1.83</u>
ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	429	485	(218)	1,062
MINORITY INTEREST	<u>70</u>	<u>(7)</u>	<u>63</u>	<u>(12)</u>
	<u>499</u>	<u>478</u>	<u>(155)</u>	<u>1,050</u>

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2019)

EDARAN BERHAD

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 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>31/12/2019</u> RM'000	<u>30/06/2019</u> RM'000
ASSETS		
NON - CURRENT ASSETS		
Property, plant and equipment	24,175	24,401
Investment in Associate	-	-
	<u>24,175</u>	<u>24,401</u>
CURRENT ASSETS		
Amount due from customers for contract works	484	4,892
Amount due by related company	5,743	5,743
Trade receivables	2,558	15,218
Other receivables	2,059	1,895
Deposit with licensed banks	13,779	245
Cash and bank balances	1,806	1,144
	<u>26,429</u>	<u>29,137</u>
TOTAL ASSETS	<u>50,604</u>	<u>53,538</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	8,241
Translation reserve	(5)	(4)
Accumulated loss	<u>(49,097)</u>	<u>(48,879)</u>
	26,112	26,331
Non - controlling interests	<u>(944)</u>	<u>(1,007)</u>
TOTAL EQUITY	<u>25,168</u>	<u>25,324</u>
NON - CURRENT LIABILITIES		
Borrowings	5,310	5,763
Deferred taxation	2,635	2,635
	<u>7,945</u>	<u>8,398</u>
CURRENT LIABILITIES		
Amount due to customers for contract works	1,825	5,065
Trade payables	7,899	7,030
Other payables	3,621	3,473
Provision for taxation	1,318	1,806
Borrowings	2,828	2,442
	<u>17,491</u>	<u>19,816</u>
Total liabilities	<u>25,436</u>	<u>28,214</u>
TOTAL EQUITY AND LIABILITIES	<u>50,604</u>	<u>53,538</u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June 2019)

EDARAN BERHAD

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 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 2019	68,022	(1,049)	8,241	(4)	(48,879)	26,331	(1,007)	25,324
Foreign currency translation	-	-	-	(1)	-	(1)	0	(1)
Loss for the period	-	-	-	-	(218)	(218)	63	(155)
Total comprehensive profit for the period	-	-	-	(1)	(218)	(219)	63	(156)
At 31 December 2019	68,022	(1,049)	8,241	(5)	(49,097)	26,112	(944)	25,168
At 1 July 2018	68,022	(1,049)	8,389	3	(44,017)	31,348	(1,064)	30,284
Foreign currency translation	-	-	-	(6)	-	(6)	0	(6)
Profit for the period	-	-	-	-	1,062	1,062	(12)	1,050
Total comprehensive profit for the period	-	-	-	(6)	1,062	1,056	(12)	1,044
At 31 December 2018	68,022	(1,049)	8,389	(3)	(42,955)	32,404	(1,076)	31,328

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2019)

EDARAN BERHAD**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR QUARTER ENDED 31 DECEMBER 2019**

	Current Year to date 31/12/19 RM' 000	Corresponding Year to date 31/12/18 RM' 000
Net cash generated from / (used in) operating activities	14,637	(25,249)
Net cash used in from investing activities	(344)	(91)
Net cash generated from / (used in) financing activities	<u>(71)</u>	<u>1,351</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	14,222	(23,989)
Effect of Exchange rate changes	(1)	(6)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,144	31,797
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>15,365</u></u>	<u><u>7,802</u></u>

Cash and cash equivalents comprise the following:

Bank overdrafts	-	(288)
Deposits with licensed banks	13,779	7,481
Cash and bank balances	<u>1,806</u>	<u>825</u>
	15,585	8,018
Less: Deposits pledged as security with licensed banks	<u>(220)</u>	<u>(216)</u>
	<u><u>15,365</u></u>	<u><u>7,802</u></u>

**(The condensed Consolidated Cash Flow Statement should be read in conjunction with the
Annual Financial Report for the year ended 30 June 2019)**

EDARAN BERHAD

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 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 2019. 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 2019.

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 2019.

2. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the year ended 30 June 2019 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 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 31 December 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 31 December 2019 other than as mentioned below:-

As at 31 December 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 31 December 2019.

8. Segmental Information

	Current Quarter Ended 31/12/19 RM'000	Current Year To Date Ended 31/12/19 RM'000
Segment Revenue		
Information Technology	13,239	20,803
Telecommunications	-	-
Lifestyle	-	-
Others	885	1,770
	<u>14,124</u>	<u>22,573</u>
Elimination	<u>(1,427)</u>	<u>(2,937)</u>
Group revenue	<u>12,697</u>	<u>19,636</u>
Segment Results		
Information Technology	1,739	1,514
Telecommunications	(660)	(828)
Lifestyle	(93)	(182)
Others	(410)	(458)
	<u>576</u>	<u>46</u>
Elimination	<u>(32)</u>	<u>(71)</u>
Profit / (Loss) from operations	<u>544</u>	<u>(25)</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 2019.

10. Subsequent Events

There were no material events subsequent to the end of the current quarter and financial period ended 31 December 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 31 December 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 2019.

13. Capital Commitments

There were no capital commitments for the current quarter and financial period ended 31 December 2019.

14. Performance Review

The Group's revenue for the current quarter and financial period ended 31 December 2019 decreased to RM19.636 million from RM35.494 million in the prior corresponding quarter and financial period ended 31 December 2018. This resulted in the Group recording a loss before taxation of RM140 thousand compared to a profit before taxation of RM1.318 million in the corresponding quarter and financial period ended 31 December 2018.

15. Comment on Material Change in Profit Before Taxation

The Group recorded a profit before taxation of RM499 thousand for the current quarter ended 31 December 2019 (2Q20) as compared to RM638 thousand loss before taxation for the quarter ended 30 September 2019 (1Q20). The variance was mainly attributable to higher gross profit of RM5.169 million registered in 2Q20 as compared to RM3.221 million registered in 1Q20.

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 31/12/19 RM'000	Current Year To Date Ended 31/12/19 RM'000
Current year provision	Nil	15
Under/(over) provision in prior years	Nil	Nil
	<u>Nil</u>	<u>15</u>
Deferred tax:		
Relating to the origination and reversal of temporary differences	Nil	Nil
Over provision in prior years	Nil	Nil
	<u>Nil</u>	<u>15</u>
	<u><u>Nil</u></u>	<u><u>15</u></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 December 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 31 December 2019 are as follows:

As at
31.12.19
RM'000

(a) Short Term borrowings Secured

Bank Overdraft	-
Trust Receipts	-
Bankers Acceptance	2,010
Term loan repayable within 12 months	197
Hire purchase creditor repayable within 12 months	621
	<hr/>
	2,828
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(b) Long Term borrowings Secured

Term loan repayable after 12 months	4,675
Hire purchase creditor after 12 months	635
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	5,310
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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 2019.

25. Earnings per share

	Current Quarter ended 31/12/19 RM'000	Current Year To Date Ended 31/12/19 RM'000
Basic		
Net profit / (loss) attributable to equity holders of the Company for the period	429	(218)
Weighted average number of ordinary shares as at 30 June 2019	57,905	57,905
Basic earnings / (loss) per share (sen)	0.74	(0.38)
Diluted		
Net profit / (loss) attributable to equity holders of the Company for the period	429	(218)
Weighted average number of ordinary shares as at 30 June 2019	57,905	57,905
Basic earnings / (loss) per share (sen)	0.74	(0.38)

26. 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 26 February 2020.

BY ORDER OF THE BOARD

ASBANIZAM ABU BAKAR
Company Secretary