

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
	31/03/2020	31/03/2019	31/03/2020	31/03/2019
	RM'000	RM'000	RM'000	RM'000
REVENUE	12,831	9,670	32,467	45,164
COST OF SALES	(7,337)	(5,470)	(18,583)	(31,471)
GROSS PROFIT	5,494	4,200	13,884	13,693
OTHER OPERATING INCOME	89	67	430	367
ADMINISTRATIVE EXPENSES	(3,181)	(2,951)	(10,260)	(8,832)
OTHER OPERATING EXPENSES	(7,014)	(776)	(8,767)	(2,628)
(LOSS) / PROFIT FROM OPERATIONS	(4,612)	540	(4,713)	2,600
FINANCE COSTS	(49)	(116)	(164)	(858)
(LOSS) / PROFIT BEFORE TAXATION	(4,661)	424	(4,877)	1,742
TAXATION	(439)	12	(454)	(256)
(LOSS) / PROFIT AFTER TAXATION	(5,100)	436	(5,331)	1,486
(LOSS) / PROFIT PER SHARE (SEN)	(8.80)	0.77	(9.30)	2.60
ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	(5,094)	443	(5,388)	1,505
MINORITY INTEREST	(6)	(7)	57	(19)
	(5,100)	436	(5,331)	1,486

(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 MARCH 2020

		<u>AS AT END</u> <u>OF CURRENT YEAR</u> <u>TO DATE</u> <u>31/03/2020</u> RM'000	<u>AS AT</u> <u>PRECEDING YEAR</u> <u>FINANCIAL YEAR</u> <u>ENDED</u> <u>30/06/2019</u> RM'000
	Note		
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment		26,991	24,401
Other investment	20	-	-
		<u>26,991</u>	<u>24,401</u>
CURRENT ASSETS			
Amount due from customers for contract works		473	4,892
Amount due by related company		-	5,743
Trade receivables		13,402	15,218
Other receivables		4,246	1,895
Deposit with licensed banks		249	245
Cash and bank balances		1,956	1,144
		<u>20,326</u>	<u>29,137</u>
TOTAL ASSETS		<u>47,317</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>(54,267)</u>	<u>(48,879)</u>
		20,942	26,331
Non - controlling interests		<u>(950)</u>	<u>(1,007)</u>
TOTAL EQUITY		<u>19,992</u>	<u>25,324</u>
NON - CURRENT LIABILITIES			
Borrowings	22 (b)	5,365	5,763
Deferred taxation		2,635	2,635
		<u>8,000</u>	<u>8,398</u>
CURRENT LIABILITIES			
Amount due to customers for contract works		2,739	5,065
Trade payables		10,711	7,030
Other payables		3,810	3,473
Provision for taxation		1,301	1,806
Borrowings	22 (a)	764	2,442
		<u>19,325</u>	<u>19,816</u>
Total liabilities		<u>27,325</u>	<u>28,214</u>
TOTAL EQUITY AND LIABILITIES		<u>47,317</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 MARCH 2020

	← Non-Distributable →					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	Accumulated Loss 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)	-	(1)
Loss for the period	-	-	-	-	(5,388)	(5,388)	57	(5,331)
Total comprehensive loss for the period	-	-	-	(1)	(5,388)	(5,389)	57	(5,332)
At 31 MARCH 2020	68,022	(1,049)	8,241	(5)	(54,267)	20,942	(950)	19,992
At 1 July 2018	68,022	(1,049)	8,389	3	(44,017)	31,348	(1,064)	30,284
Foreign currency translation	-	-	-	(35)	-	(35)	0	(35)
Profit for the period	-	-	-	-	1,505	1,505	(19)	1,486
Total comprehensive profit for the period	-	-	-	(35)	1,505	1,470	(19)	1,451
At 31 MARCH 2019	68,022	(1,049)	8,389	(32)	(42,512)	32,818	(1,083)	31,735

(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 MARCH 2020**

	Current Year to date 31/03/2020 RM' 000	Corresponding Year to date 31/03/2019 RM' 000
Net cash (used in)/generated from operating activities	6,632	(31,995)
Net cash (used in)/generated from investing activities	(3,718)	(49)
Net cash generated from/(used in) financing activities	<u>(2,072)</u>	<u>(9)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	842	(32,052)
Effect of Exchange rate changes	(1)	(35)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,144	31,797
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>1,985</u></u>	<u><u>(290)</u></u>
Cash and cash equivalents comprise the following:		
Bank overdrafts	-	(1,166)
Deposits with licensed banks	249	245
Cash and bank balances	<u>1,956</u>	<u>847</u>
	2,205	(74)
Less: Deposits pledged as security with licensed banks	<u>(220)</u>	<u>(216)</u>
	<u><u>1,985</u></u>	<u><u>(290)</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 MARCH 2020

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 March 2020.

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 2020.

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 2020 other than as mentioned below:-

As at 31 March 2020, 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 2020.

8. Segmental Information

	Current Quarter Ended 31/03/20 RM'000	Current Year To Date Ended 31/03/20 RM'000
Segment Revenue		
Information Technology	12,831	32,467
Telecommunications	-	-
Lifestyles	-	-
Others	885	2,655
	<u>13,716</u>	<u>35,122</u>
Elimination	(885)	(2,655)
Group revenue	<u>12,831</u>	<u>32,467</u>
Segment Results		
Information Technology	(4,137)	(2,699)
Telecommunications	(363)	(1,191)
Lifestyles	(90)	(272)
Others	21	(437)
	<u>(4,569)</u>	<u>(4,599)</u>
Elimination	(43)	(114)
Loss from operations	<u>(4,612)</u>	<u>(4,713)</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 March 2020.

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 2020.

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 March 2020.

14. Performance Review

The Group's revenue for the current quarter and financial period ended 31 March 2020 decreased to RM32.467 million from RM45.164 million in the prior corresponding quarter and financial period ended 31 March 2019. The decrease in revenue and the impairment of advances to PT Linewin of RM5.743 million resulted in the Group recording a loss before taxation of RM4.877 million compared to a profit before taxation of RM1.742 million for the corresponding quarter and financial period ended 31 March 2019.

15. Comment on Material Change in Profit Before Taxation

The Group recorded a loss before taxation of RM4.612 million for the current quarter ended 31 March 2020 (3Q20) as compared to RM423 thousand profit before taxation for the quarter ended 31 December 2019 (2Q20). The variance were mainly attributable to higher operating expenses of RM9.637 million registered in 3Q20 mainly due to impairment of advances to PT Linewin of RM5.743 million as compared to RM4.716 million registered in 2Q20.

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 31/03/20 RM'000	Current Year To Date Ended 31/03/20 RM'000
Current year provision	Nil	Nil
Under/(over) provision in prior years	439	454
	<u>439</u>	<u>454</u>
Deferred tax:		
Relating to the origination and reversal of temporary differences	Nil	Nil
Over provision in prior years	Nil	Nil
	<u>439</u>	<u>454</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 2020.

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 March 2020 are as follows:

	As at 31.03.20 RM'000
(a) <u>Short Term borrowings</u>	
<u>Secured</u>	
Bank Overdraft	-
Trust Receipts	-
Bankers Acceptance	-
Term loan repayable within 12 months	144
Hire purchase creditor repayable within 12 months	620
	<hr/> 764 <hr/>
(b) <u>Long Term borrowings</u>	
<u>Secured</u>	
Term loan repayable after 12 months	4,596
Hire purchase creditor after 12 months	769
	<hr/> 5,365 <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 2020.

25. Earnings / (loss) per share

	Current Quarter ended 31/03/20 RM'000	Current Year To Date Ended 31/03/20 RM'000
Basic		
Net loss attributable to equity holders of the Company for the period	(5,094)	(5,388)
Weighted average number of ordinary shares outstanding as at 30 June 2019	57,905	57,905
Basic loss per share (sen)	(8.80)	(9.30)
Diluted		
Net loss attributable to equity holders of the Company for the period	(5,094)	(5,388)
Weighted average number of ordinary shares outstanding as at 30 June 2019	57,905	57,905
Basic loss per share (sen)	(8.80)	(9.30)

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 24 June 2020.

BY ORDER OF THE BOARD

ASBANIZAM ABU BAKAR
Company Secretary