

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>30/06/2020</u>	<u>30/06/2019</u>	<u>30/06/2020</u>	<u>30/06/2019</u>
	RM'000	RM'000	RM'000	RM'000
REVENUE	12,911	8,926	45,378	54,090
COST OF SALES	(6,309)	(3,497)	(24,892)	(34,968)
GROSS PROFIT	6,602	5,429	20,486	19,122
OTHER OPERATING INCOME	33	35	463	402
ADMINISTRATIVE EXPENSES	(3,140)	(3,594)	(13,400)	(12,426)
OTHER OPERATING EXPENSES	(1,052)	(7,614)	(9,819)	(10,242)
PROFIT/(LOSS) FROM OPERATIONS	2,443	(5,744)	(2,270)	(3,144)
FINANCE COSTS	(32)	(30)	(197)	(888)
PROFIT/(LOSS) BEFORE TAXATION	2,411	(5,774)	(2,467)	(4,032)
TAXATION	(460)	(661)	(913)	(917)
PROFIT/(LOSS) AFTER TAXATION	1,951	(6,435)	(3,380)	(4,949)
EARNINGS/(LOSS) PER SHARE (SEN)	3.41	(11.25)	(5.89)	(8.65)
ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	1,977	(6,513)	(3,411)	(5,008)
NON-CONTROLLING INTERESTS	(26)	78	31	59
	1,951	(6,435)	(3,380)	(4,949)

(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 30 JUNE 2020

	<u>AS AT END</u> <u>OF CURRENT YEAR</u> <u>TO DATE</u> <u>30/06/2020</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	26,862	24,400
Right of use assets	37	-
Investment in Associate	-	-
Other Investment - Quoted	109	-
	<u>27,008</u>	<u>24,400</u>
CURRENT ASSETS		
Amount due from customers for contract works	720	4,892
Amount due by related company	-	5,743
Trade receivables	18,650	15,218
Other receivables	1,969	1,895
Deposit with licensed banks	250	243
Cash and bank balances	4,050	1,145
	<u>25,639</u>	<u>29,136</u>
TOTAL ASSETS	<u>52,647</u>	<u>53,536</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	8,093	8,241
Translation reserve	(4)	(5)
Accumulated loss	<u>(52,143)</u>	<u>(48,878)</u>
	22,919	26,331
Non - controlling interests	<u>(976)</u>	<u>(1,007)</u>
TOTAL EQUITY	<u>21,943</u>	<u>25,324</u>
NON - CURRENT LIABILITIES		
Borrowings	22 (b) 5,249	5,586
Deferred taxation	2,595	2,635
	<u>7,844</u>	<u>8,221</u>
CURRENT LIABILITIES		
Amount due to customers for contract works	1,654	5,065
Trade payables	11,605	7,029
Other payables	6,440	3,473
Provision for taxation	1,440	1,806
Borrowings	22 (a) 1,721	2,618
	<u>22,860</u>	<u>19,991</u>
Total liabilities	<u>30,704</u>	<u>28,212</u>
TOTAL EQUITY AND LIABILITIES	<u>52,647</u>	<u>53,536</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 30 JUNE 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	(5)	(48,878)	26,331	(1,007)	25,324
Prior year adjustment - From adoption of MFRS 16					(1)	(1)	-	(1)
As per restated	68,022	(1,049)	8,241	(5)	(48,879)	26,330	(1,007)	25,323
Foreign currency translation	-	-	-	1	(1)	-	-	-
(Loss) / Profit for the period	-	-	-	-	(3,411)	(3,411)	31	(3,380)
Total comprehensive (loss)/profit for the period	-	-	-	1	(3,412)	(3,411)	31	(3,380)
Realisation of revaluation reserve			(148)		148	-	-	-
At 30 JUNE 2020	68,022	(1,049)	8,093	(4)	(52,143)	22,919	(976)	21,943
At 1 July 2018	68,022	(1,049)	8,388	3	(44,017)	31,347	(1,064)	30,283
Foreign currency translation	-	-	-	(8)	-	(8)	(2)	(10)
(Loss) / Profit for the period	-	-	-	-	(5,008)	(5,008)	59	(4,949)
Total comprehensive (loss)/profit for the period	-	-	-	(8)	(5,008)	(5,016)	57	(4,959)
Realisation of revaluation reserve			(147)		147	-	-	-
At 30 JUNE 2019	68,022	(1,049)	8,241	(5)	(48,878)	26,331	(1,007)	25,324

(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 30 JUNE 2020**

	Current Year to date 30/06/20 RM' 000	Corresponding Year to date 30/06/19 RM' 000
Net cash (used in)/generated from operating activities	8,746	(31,260)
Net cash (used in)/generated from investing activities	(4,571)	(122)
Net cash generated from/(used in) financing activities	<u>(1,239)</u>	<u>729</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	2,936	(30,653)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,144	31,797
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>4,080</u></u>	<u><u>1,144</u></u>

Cash and cash equivalents comprise the following:

Deposits with licensed banks	250	243
Cash and bank balances	<u>4,050</u>	<u>1,144</u>
	4,300	1,387
Less: Deposits pledged as security with licensed banks	<u>(220)</u>	<u>(214)</u>
	<u><u>4,080</u></u>	<u><u>1,173</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 30 JUNE 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 30 June 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 30 June 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 30 June 2020 other than as mentioned below:-

As at 30 June 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 30 June 2020.

8. Segmental Information

	Current Quarter Ended 30/06/20 RM'000	Current Year To Date Ended 30/06/20 RM'000
Segment Revenue		
Information Technology	14,828	47,295
Lifestyle & Telecommunication	-	-
Others	1,685	4,340
	<u>16,513</u>	<u>51,635</u>
Elimination	<u>(3,602)</u>	<u>(6,257)</u>
Group revenue	<u>12,911</u>	<u>45,378</u>
Segment Results		
Information Technology	2,860	161
Lifestyle & Telecommunication	(422)	(1,885)
Others	182	(255)
	<u>2,620</u>	<u>(1,979)</u>
Elimination	<u>(177)</u>	<u>(291)</u>
Profit / (Loss) from operations	<u>2,443</u>	<u>(2,270)</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 30 June 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 30 June 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 30 June 2020.

14. Performance Review

The Group's revenue for the current quarter and financial period ended 30 June 2020 decreased to RM45.378 million from RM54.090 million in the prior corresponding quarter and financial period ended 30 June 2019. However, due to better gross profit margin and reduced finance costs resulted in the Group recording a lower loss before taxation of RM2.467 million compared to a loss before taxation of RM4.032 million for the corresponding quarter and financial period ended 30 June 2019.

15. Comment on Material Change in Profit Before Taxation

The Group recorded a profit before taxation of RM2.411 million for the current quarter ended 30 June 2020 (4Q20) as compared to RM4.662 million loss before taxation for the quarter ended 31 March 2020 (3Q20). The variance was mainly attributable to better gross profit margin of RM1.108 million and lower operating expenses of RM3.437 million incurred in 4Q20 as compared to RM9.637 million incurred in 3Q20 which was mainly due to the impairment of advances to PT linewin of RM5.743 million.

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 30/06/20 RM'000	Current Year To Date Ended 30/06/20 RM'000
Provision for Current year tax	500	500
Under/(over) provision in prior years	Nil	453
	<u>500</u>	<u>953</u>
Deferred tax:		
Provision for deferred tax	Nil	Nil
Tax income from crystallisation	(40)	(40)
	<u>460</u>	<u>913</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 2020.

20. Quoted and Unquoted securities

As at
30.06.20
RM'000

At Fair Value

Equity Securities:

- Quoted Shares

109

Analysed as follows:

Non-Current

109

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 2020 are as follows:

As at
30.06.20
RM'000

(a) Short Term borrowings Secured

Bank Overdraft

-

Bankers Acceptance

529

Term loan repayable within 12 months

320

Hire purchase creditor repayable within 12 months

842

Lease liability repayable within 12 months

30

1,721

22. Borrowings and Debt Securities (cont'd)

Details of the Group borrowings as at 30 June 2020 are as follows (cont'd):

(b) Long Term borrowings Secured

Term loan repayable after 12 months	4,419
Hire purchase creditor repayable after 12 months	821
Lease liability repayable after 12 months	9
	<hr/>
	5,249
	<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 2020.

25. Earnings per share

	Current Quarter ended 30/06/20 RM'000	Current Year To Date Ended 30/06/20 RM'000
Basic		
Net profit / (loss) attributable to equity holders of the Company for the period	1,977	(3,411)
Weighted average number of ordinary shares outstanding as at 30 June 2019	57,905	57,905
Basic earnings / (loss) per share (sen)	3.41	(5.89)

25. Earnings per share (cont'd)

	Current Quarter ended 30/06/20 RM'000	Current Year To Date Ended 30/06/20 RM'000
Diluted		
Net profit / (loss) attributable to equity holders of the Company for the period	1,977	(3,411)
Weighted average number of ordinary shares outstanding as at 30 June 2019	57,905	57,905
Basic earnings / (loss) per share (sen)	3.41	(5.89)

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 25 August 2020.

BY ORDER OF THE BOARD

ASBANIZAM ABU BAKAR
Company Secretary