



ZECON BERHAD (134463-X)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Current Quarter 3 months ended		Cumulative Quarter 12 months ended	
	1.04.2014 to 30.06.2014	1.04.2013 to 30.06.2013	1.07.2013 to 30.06.2014	1.07.2012 to 30.06.2013
	Unaudited RM '000	Unaudited RM '000	Unaudited RM '000	Unaudited RM '000
Revenue	42,832	59,879	175,229	160,175
Cost of sales	(43,512)	(46,910)	(153,775)	(131,904)
Gross profit	(680)	12,969	21,454	28,271
Other operating income	970	1,271	2,575	2,974
Administrative expenses	(4,247)	(4,288)	(16,545)	(12,998)
Other expenses	(5,898)	(24,482)	(5,898)	(26,129)
Operating profit/(loss)	(9,855)	(14,529)	1,586	(7,882)
Finance costs	(2,090)	(2,510)	(8,457)	(9,059)
Share of profit of associates	190	74	364	249
Loss before taxation	(11,755)	(16,965)	(6,507)	(16,692)
Income tax expense	(1,666)	(2,946)	(7,513)	(5,221)
Loss for the period	(13,421)	(19,911)	(14,020)	(21,913)
Profit/(loss) for the period attributable to:				
Owners of the parent	(12,441)	(21,695)	(18,979)	(22,506)
Non controlling interest	(980)	1,784	4,959	593
	(13,421)	(19,911)	(14,020)	(21,913)
Earnings per share attributable to owners of the parent (sen per share)				
Basic	(10.45)	(18.21)	(15.93)	(18.90)
Diluted	(10.45)	(18.21)	(15.93)	(18.90)

These condensed consolidated statements of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.



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FOR THE YEAR ENDED 30 JUNE 2014

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 June 2014 Unaudited RM'000	30 June 2013 Audited RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	15,094	15,259
Prepaid lease payments	125	128
Land held for development	93,361	113,166
Intangible assets	13,809	13,805
Investment and share of profit in associates	1,593	1,229
Investment securities	317	317
Trade and other receivables	-	233
Deferred tax assets	4,317	4,317
	<u>128,616</u>	<u>148,454</u>
Current assets		
Development costs	36,270	35,489
Inventories	2,915	2,915
Amount due from customers for contract work	53,307	51,440
Accrued billings in respect of property development costs	-	-
Trade and other receivables	62,801	81,750
Deposits with licensed banks	41,985	38,323
Cash and bank balances	12,507	8,208
	<u>209,785</u>	<u>218,125</u>
TOTAL ASSETS	<u>338,401</u>	<u>366,579</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	119,106	119,106
Share premium	3,559	3,559
Other reserves	5,111	5,113
Retained earnings	(49,442)	(20,437)
	<u>78,334</u>	<u>107,341</u>
Non controlling interest	8,896	3,937
Total equity	<u>87,230</u>	<u>111,278</u>



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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 June 2014 Unaudited RM'000	30 June 2013 Audited RM'000
Non-current liabilities		
Borrowings	109,975	111,524
Trade and other payables	101	116
	<u>110,076</u>	<u>111,640</u>
Current liabilities		
Borrowings	29,813	35,806
Amount due to customers for contract work	10,612	-
Trade and other payables	75,833	93,550
Progress billings in respect of property development costs	13,223	1,954
Current tax payable	11,614	12,351
	<u>141,095</u>	<u>143,661</u>
Total liabilities	<u>251,171</u>	<u>255,301</u>
TOTAL EQUITY AND LIABILITIES	<u>338,401</u>	<u>366,579</u>

These condensed consolidated statements of financial position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.



ZECON BERHAD (134463-X)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Company							Non controlling interests (NCI)	Total equity	
	Share capital	Share premium	Non-Distributable		Exchange reserve	Other reserve	Distributable Retained earnings			Total equity attributable to owners of the parents
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
30 JUNE 2014										
Balance as at 1 July 2013	119,106	3,559	693	4,417	3	4,417	(20,437)	107,341	3,937	111,278
Total comprehensive Income for the period	-	-	-	-	(2)	-	(18,979)	(18,981)	4,959	(14,022)
Dividend declared	-	-	-	-	-	-	(10,026)	(10,026)	-	(10,026)
Closing balance as at 30 June 2014	119,106	3,559	693	4,417	1	4,417	(49,442)	78,334	8,896	87,230
30 JUNE 2013										
Opening balance as at 1 July 2012	119,106	3,559	693	4,366	(1)	4,366	15,661	143,384	3,344	146,728
Total comprehensive Income for the period	-	-	-	51	4	51	(22,506)	(22,451)	593	(21,858)
Transaction with NCI							(13,592)	(13,592)	-	(13,592)
Closing balance as at 30 June 2013	119,106	3,559	693	4,417	3	4,417	(20,437)	107,341	3,937	111,278

These condensed consolidated statements of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements



ZECOM BERHAD (134463-X)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	1.7.2013 to 30.06.2014 Unaudited RM '000 12 months	1.7.2012 to 30.06.2013 Unaudited RM '000 12 months
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(6,506)	(16,692)
Adjustments for :		
Amortisation of prepaid land lease payments	3	3
Impairment on receivables	5,702	20,164
Depreciation of property, plant and equipment	3,592	2,415
Development costs written off	48	-
(Gain)/loss on disposal of property, plant and equipment	(1,257)	(2,155)
Interest expense	8,457	9,060
Interest income	(1,063)	(1,061)
Impairment on goodwill	-	798
Impairment on investment in joint venture	-	4,061
Impairment written back	-	(18)
Share of results of associates	(364)	(249)
Operating profit before working capital changes	8,612	16,327
Decrease/(increase) in development costs	10,446	(4,604)
Decrease in land held for development	19,804	4,363
Decrease/(increase) in amount due from customers for contract work	10,986	(19,161)
Increase in fixed deposit more than three months	(1,448)	-
Decrease in receivables	14,683	16,085
(Increase)/decrease in payables	(22,939)	18,111
Cash generated from operations	40,144	31,121
Interest paid	(8,457)	(12,385)
Interest received	1,063	944
Taxation paid	(9,352)	(6,834)
Net cash generated from operating activities	23,398	12,846
CASH FLOWS FROM INVESTING ACTIVITIES		
Transaction with non-controlling interest	-	(13,991)
Acquisition of subsidiary, net of cash received	(4)	-
Purchase of property, plant and equipment	(5,312)	1,014
Proceeds from disposal of property, plant and equipment	130	1,198
Dividend paid	(4,626)	-
Net cash used in investing activities	(9,812)	(11,779)



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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	1.7.2013 to 30.06.2014 Unaudited RM '000	1.7.2012 to 30.06.2013 Unaudited RM '000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of term loan	(11,014)	(42,691)
Repayment of hire purchase payables	(1,287)	(1,359)
Repayment of bankers' acceptances and revolving credits	(52,229)	4,904
Proceeds from drawdown of term loan	25,623	12,844
Proceeds from banker's acceptances and revolving credits	31,925	26,261
Decrease in fixed deposits pledged	(714)	(1,389)
Net cash used in financing activities	(7,696)	(1,430)
Net increase/(decrease) in cash and cash equivalents	5,890	(364)
Cash and cash equivalents at the beginning of the period	7,715	8,078
Cash and cash equivalents at the end of the period	13,605	7,714