



ZECOM BERHAD (134463-X)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2016

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Current Quarter 3 months ended		Cumulative Quarter 9 months ended	
	1.1.2016 to 31.03.2016	1.1.2015 to 31.03.2015	1.07.2015 to 31.03.2016	1.07.2014 to 31.03.2015
	Unaudited RM '000	Unaudited RM '000	Unaudited RM '000	Unaudited RM '000
Revenue	29,419	45,138	114,975	117,467
Cost of sales	(24,710)	(38,296)	(100,421)	(106,771)
Gross profit	4,709	6,842	14,554	10,696
Other operating income	316	188	1,042	477
Administrative expenses	(2,954)	(4,076)	(11,666)	(12,539)
Other expenses	(845)	-	(11,988)	-
Operating loss	1,226	2,954	(8,058)	(1,366)
Finance costs	(2,939)	(2,235)	(9,150)	(6,525)
Share of profit of associates	140	73	115	164
Loss before taxation	(1,573)	792	(17,093)	(7,727)
Income tax expense	382	(1,559)	(1,157)	(2,769)
Loss for the period	(1,191)	(767)	(18,250)	(10,496)
Loss for the period attributable to:				
Owners of the parent	(1,066)	1,207	(17,198)	(3,924)
Non controlling interest	(125)	(1,974)	(1,052)	(6,572)
	(1,191)	(767)	(18,250)	(10,496)
Earnings per share attributable to owners of the parent (sen per share)				
Basic	(0.90)	1.01	(14.44)	(3.29)
Diluted	(0.90)	1.01	(14.44)	(3.29)

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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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 March 2016 Unaudited RM'000	30 June 2015 Audited RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	15,020	16,488
Prepaid lease payments	119	121
Land held for development	82,544	91,955
Intangible assets	1,933	13,281
Investment and share of profit in associates	2,071	1,956
Investment securities	93	97
Trade and other receivables	-	218
	101,780	124,116
Current assets		
Development costs	26,022	21,946
Inventories	3,167	2,917
Amount due from customers for contract work	132,762	104,041
Accrued billings in respect of property development costs	13,179	9,870
Trade and other receivables	77,647	82,706
Deposits with licensed banks	83,538	29,449
Cash and bank balances	21,008	5,566
	357,323	256,495
TOTAL ASSETS	459,103	380,611
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	4,887	4,895
Retained earnings	(80,422)	(63,224)
	47,130	64,336
Non controlling interest	3,142	4,194
Total equity	50,272	68,530



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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 March 2016 Unaudited RM'000	30 June 2015 Audited RM'000
Non-current liabilities		
Borrowings	165,136	100,996
Trade and other payables	75	86
Deferred tax liabilities	154	154
	<u>165,365</u>	<u>101,236</u>
Current liabilities		
Borrowings	127,889	92,233
Amount due to customers for contract work	4,067	1,203
Trade and other payables	96,192	102,112
Progress billings in respect of property development costs	935	1,171
Current tax payable	14,383	14,127
	<u>243,466</u>	<u>210,845</u>
Total liabilities	408,831	312,081
TOTAL EQUITY AND LIABILITIES	459,103	380,611

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



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CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Company							Non controlling interests (NCI) RM'000	Total equity RM'000
	<i>Non-Distributable</i>					<i>Distributable</i>	Total equity attributable to owners of the parents RM'000		
	Share capital	Share premium	Revaluation reserve	Exchange reserve	Other reserve	Retained earnings			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
31 MARCH 2016									
Balance as at 1 July 2015	119,106	3,559	693	5	4,197	(63,224)	64,336	4,194	68,530
Total comprehensive Income for the period	-	-	-	-	(8)	(17,198)	(17,206)	(1,052)	(18,258)
Closing balance as at 31 March 2016	119,106	3,559	693	5	4,189	(80,422)	47,130	3,142	50,272
30 JUNE 2015									
Balance as at 1 July 2014	119,106	3,559	693	2	4,283	(50,400)	77,243	9,006	86,249
Total comprehensive Income for the period	-	-	-	3	(86)	(12,824)	(12,907)	(4,812)	(17,719)
Closing balance as at 30 June 2015	119,106	3,559	693	5	4,197	(63,224)	64,336	4,194	68,530

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



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CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2016

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	1.7.2015 to 31.03.2016 Unaudited RM '000 9 months	1.7.2014 to 31.03.2015 Unaudited RM '000 9 months
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(17,092)	(7,727)
Adjustments for :		
Amortisation of prepaid land lease payments	2	2
Amortisation of toll concessionaire	264	396
Depreciation of property, plant and equipment	1,565	1,931
Gain on disposal of property, plant and equipment	-	(82)
Gain on disposal on land held for development	(1,515)	-
Interest expense	9,150	6,525
Interest income	(715)	(87)
Impairment on receivables	475	-
Impairment on development costs	429	-
Loss on disposal of toll concession	11,084	-
Unrealised loss on foreign exchange translation	1	-
Share of results of associates	(115)	(164)
Operating profit/(losses) before working capital changes	3,533	794
Increase in development costs	(7,079)	(1,057)
Increase in inventories	(251)	-
Increase in current assets	(3,309)	(11,830)
Decrease in current liabilities	(236)	(5,808)
Increase in amount due from customers for contract work	(25,018)	(31,793)
Decrease in receivables	4,802	14,067
(Decrease)/increase in payables	(6,307)	810
Cash generated used in operations	(33,865)	(34,817)
Interest paid	(9,150)	(6,525)
Interest received	716	87
Taxation paid	(1,376)	(2,839)
Net cash generated used in operating activities	(43,675)	(44,094)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(936)	(469)
Proceeds from disposal of property, plant and equipment	-	84
Proceeds from disposal of land held for development	13,500	-
Net cash generated from/(used in) investing activities	12,564	(385)



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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	1.7.2015 to 31.03.2016 Unaudited RM '000	1.7.2014 to 31.03.2015 Unaudited RM '000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of term loan	(21,211)	(38,634)
Repayment of hire purchase payables	(821)	(880)
Hire purchase financing obtained	284	-
Proceeds from drawdown of term loan	70,149	41,910
Proceeds from banker's acceptances and revolving credits	49,321	40,586
Decrease in fixed deposits pledged	(54,090)	315
Net cash generated from financing activities	43,632	43,297
Net increase/(decrease) in cash and cash equivalents	12,521	(1,182)
Cash and cash equivalents at the beginning of the period	552	12,726
Cash and cash equivalents at the end of the period	13,073	11,544