



ZECOM BERHAD (134463-X)

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Current Quarter 3 months ended		Cumulative Quarter 6 months ended	
	1.7.2016 to 31.12.2016	1.7.2015 to 31.12.2015	1.7.2016 to 31.12.2016	1.7.2015 to 31.12.2015
	Unaudited RM '000	Unaudited RM '000	Unaudited RM '000	Unaudited RM '000
Revenue	64,380	54,323	103,723	85,556
Cost of sales	(55,853)	(48,328)	(85,008)	(75,711)
<b>Gross profit</b>	<b>8,527</b>	<b>5,995</b>	<b>18,715</b>	<b>9,845</b>
Other operating income	1,048	435	1,646	726
Administrative expenses	(5,093)	(4,796)	(9,909)	(8,712)
Other expenses	(17)	(11,143)	(22)	(11,143)
<b>Operating profit/(loss)</b>	<b>4,465</b>	<b>(9,509)</b>	<b>10,430</b>	<b>(9,284)</b>
Finance costs	(4,025)	(3,708)	(7,785)	(6,211)
Share of profit of associates	-	(97)	74	(25)
<b>Profit/(loss) before taxation</b>	<b>440</b>	<b>(13,314)</b>	<b>2,719</b>	<b>(15,520)</b>
Income tax expense	(234)	(937)	(358)	(1,539)
<b>Profit/(loss) for the period</b>	<b>206</b>	<b>(14,251)</b>	<b>2,361</b>	<b>(17,059)</b>
<b>Profit/(loss) for the period attributable to:</b>				
Owners of the parent	413	(13,838)	2,845	(16,132)
Non controlling interest	(207)	(413)	(484)	(927)
	<b>206</b>	<b>(14,251)</b>	<b>2,361</b>	<b>(17,059)</b>
<b>Earnings per share attributable to owners of the parent (sen per share)</b>				
Basic	0.35	(11.62)	2.39	(13.54)
Diluted	0.35	(11.62)	2.39	(13.54)

These condensed consolidated statements of comprehensive income 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  
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 December 2016 Unaudited RM'000	30 June 2016 Audited RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	15,103	15,497
Prepaid lease payments	117	118
Land held for development	81,385	81,384
Intangible assets	802	802
Investment and share of profit in associates	2,187	2,113
Investment securities	83	93
Investment properties	359,548	359,172
	459,225	459,179
<b>Current assets</b>		
Development costs	11,263	11,635
Inventories	2,305	2,304
Amount due from customers for contract work	188,058	142,770
Accrued billings in respect of property development costs	13,031	10,819
Trade and other receivables	67,694	70,708
Deposits with licensed banks	54,265	68,605
Cash and bank balances	44,519	40,277
Tax recoverables	362	4
	381,497	347,122
<b>TOTAL ASSETS</b>	<b>840,722</b>	<b>806,301</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	119,106	119,106
Share premium	3,559	3,559
Other reserves	4,879	4,889
Retained earnings	(29,071)	(31,916)
	98,473	95,638
<b>Non controlling interest</b>	70,392	67,877
<b>Total equity</b>	<b>168,865</b>	<b>163,515</b>



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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 December 2016 Unaudited RM'000	30 June 2016 Audited RM'000
<b>Non-current liabilities</b>		
Borrowings	195,540	173,617
Trade and other payables	64	71
Deferred tax liabilities	9,477	9,223
	<u>205,081</u>	<u>182,911</u>
<b>Current liabilities</b>		
Borrowings	128,659	129,274
Amount due to customers for contract work	3,344	3,237
Trade and other payables	321,625	312,517
Progress billings in respect of property development costs	1,248	1,410
Current tax payable	11,900	13,437
	<u>466,776</u>	<u>459,875</u>
<b>Total liabilities</b>	<b>671,857</b>	<b>642,786</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>840,722</b>	<b>806,301</b>

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 PERIOD ENDED 31 DECEMBER 2016

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Company						Total equity attributable to owners of the parents RM'000	Non controlling interests (NCI) RM'000	Total equity RM'000
	<i>Non-Distributable</i>					<i>Distributable</i>			
	Share capital	Share premium	Revaluation reserve	Exchange reserve	Other reserve	Retained earnings			
31 DECEMBER 2016	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance as at 1 July 2016	119,106	3,559	693	3	4,193	(31,916)	95,638	67,877	163,515
Total comprehensive Income for the period	-	-	-	-	(10)	2,845	2,835	(484)	2,351
Transaction with Non-Controlling Interest	-	-	-	-	-	-	-	2,999	2,999
<b>Closing balance as at 31 DECEMBER 2016</b>	<b>119,106</b>	<b>3,559</b>	<b>693</b>	<b>3</b>	<b>4,183</b>	<b>(29,071)</b>	<b>98,473</b>	<b>70,392</b>	<b>168,865</b>
<b>30 JUNE 2016</b>									
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	-	-	-	(2)	(4)	31,308	31,302	63,634	94,936
Transaction with Non-Controlling Interest	-	-	-	-	-	-	-	49	49
<b>Closing balance as at 30 June 2016</b>	<b>119,106</b>	<b>3,559</b>	<b>693</b>	<b>3</b>	<b>4,193</b>	<b>(31,916)</b>	<b>95,638</b>	<b>67,877</b>	<b>163,515</b>

These condensed consolidated statements of changes in equity 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 PERIOD ENDED 31 DECEMBER 2016

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	1.7.2016 to 31.12.2016 Unaudited RM '000 6 months	1.7.2015 to 31.12.2015 Unaudited RM '000 6 months
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(loss) before taxation	2,719	(15,520)
Adjustments for :		
Amortisation of prepaid land lease payments	2	2
Amortisation of toll concessionaire	-	264
Bad debt written off, net	393	-
Depreciation of property, plant and equipment	1,015	1,017
Gain on disposal on land held for development	-	(1,515)
Interest expense	7,785	6,211
Interest income	(1,008)	(498)
Impairment on receivables	6	-
Loss on disposal of toll concession	-	11,084
Reversal of impairment on receivables	(283)	-
Unrealised loss on foreign exchange translation	-	4
Share of results of associates	(74)	25
<b>Operating profit before working capital changes</b>	<b>10,555</b>	<b>1,074</b>
Decrease/(increase) in development costs	372	(6,622)
Increase in inventories	-	(397)
Increase in current assets	(2,211)	(1,305)
Decrease in current liabilities	(162)	(217)
Increase in amount due from customers for contract work	(44,643)	(28,895)
Decrease in receivables	2,899	11,775
Increase in payables	8,402	5,914
<b>Cash used in operations</b>	<b>(24,788)</b>	<b>(18,673)</b>
Interest paid	(7,785)	(6,211)
Interest received	845	498
Taxation paid	(1,844)	(507)
<b>Net cash used in operating activities</b>	<b>(33,572)</b>	<b>(24,893)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Transaction with non-controlling interest	2,999	-
Purchase of property, plant and equipment	(1,160)	(459)
Purchase of other investment	(1)	-
Proceeds from disposal of land held for development	-	13,500.00
<b>Net cash generated from investing activities</b>	<b>1,838</b>	<b>13,041</b>



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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	1.7.2016 to 31.12.2016 Unaudited RM '000	1.7.2015 to 31.12.2015 Unaudited RM '000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of term loan	(3,252)	(20,211)
Repayment of hire purchase payables	(513)	(588)
Hire purchase financing obtained	1,239	284
Proceeds from drawdown of term loan	24,470	70,149
Proceeds from banker's acceptances and revolving credits	-	32,000
Decrease in fixed deposits pledged	14,312	(62,671)
<b>Net cash generated from financing activities</b>	<b>36,256</b>	<b>18,963</b>
<b>Net increase in cash and cash equivalents</b>	<b>4,522</b>	<b>7,111</b>
Cash and cash equivalents at the beginning of the period	32,287	552
<b>Cash and cash equivalents at the end of the period</b>	<b>36,809</b>	<b>7,663</b>