



ZECOM BERHAD (134463-X)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2018

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Current Quarter 3 months ended		Cumulative Quarter 3 months ended	
	1.7.2018 to 30.09.2018	1.07.2017 to 30.09.2017	1.07.2018 to 30.09.2018	1.07.2017 to 30.09.2017
	Unaudited RM '000	Unaudited RM '000	Unaudited RM '000	Unaudited RM '000
Revenue	83,873	82,364	83,873	82,364
Cost of sales	(81,126)	(72,849)	(81,126)	(72,849)
Gross profit	2,747	9,515	2,747	9,515
Other operating income	11,321	5,312	11,321	5,312
Administrative expenses	(8,053)	(6,177)	(8,053)	(6,177)
Other expenses	(441)	(28)	(441)	(28)
Operating profit	5,574	8,622	5,574	8,622
Finance costs	(10,004)	(4,998)	(10,004)	(4,998)
Share of profit of associates	(10)	48	(10)	48
(Loss)/profit before taxation	(4,440)	3,672	(4,440)	3,672
Income tax expense	(2,188)	(2,974)	(2,188)	(2,974)
(Loss)/profit for the period	(6,628)	698	(6,628)	698
(Loss)/profit for the period attributable to:				
Owners of the parent	(9,210)	792	(9,210)	792
Non controlling interest	2,582	(94)	2,582	(94)
	(6,628)	698	(6,628)	698
Earnings per share attributable to owners of the parent (sen per share)				
Basic	(7.03)	0.66	(7.03)	0.66
Diluted	(7.03)	0.66	(7.03)	0.66

These condensed consolidated statements of comprehensive income 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 30 SEPTEMBER 2018

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 September 2018 Unaudited RM'000	1 July 2018 Restated RM'000	30 June 2018 Audited RM'000
ASSETS			
Non-current assets			
Property, plant & equipment	11,542	12,213	12,213
Prepaid lease payments	111	112	112
Land held for development	8,141	8,141	8,141
Investment properties	558,541	558,541	558,541
Intangible assets	802	802	802
Investment and share of profit in associates	2,581	2,591	2,591
Investment securities	79	76	76
Amount due from customer on contract works	403,874	368,247	368,247
Service concession receivables	46,501	36,036	36,036
	<u>1,032,172</u>	<u>986,759</u>	<u>986,759</u>
Current assets			
Investment securities	29	17	17
Development costs	2,717	213	213
Inventories	11,333	11,333	11,333
Amount due from customers for contract work	43,352	38,478	52,854
Accrued billings in respect of property development costs	901	901	901
Trade and other receivables	114,005	85,330	109,607
Deposits with licensed banks	20,885	26,482	26,482
Cash and bank balances	16,256	26,531	26,531
Tax recoverables	682	682	682
	<u>210,160</u>	<u>189,967</u>	<u>228,620</u>
TOTAL ASSETS	<u>1,242,332</u>	<u>1,176,726</u>	<u>1,215,379</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	128,972	128,972	128,972
Other reserves	(254)	(257)	(257)
Retained earnings	106,423	115,633	153,251
	<u>235,141</u>	<u>244,348</u>	<u>281,966</u>
Non controlling interest	107,210	104,628	105,663
Total equity	<u>342,351</u>	<u>348,976</u>	<u>387,629</u>



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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 September 2018 Unaudited RM'000	1 July 2018 Restated RM'000	30 June 2018 Audited RM'000
Non-current liabilities			
Borrowings	2,508	2,852	2,852
Trade and other payables	63,029	82,172	82,172
Deferred tax liabilities	29,204	27,017	27,017
	<u>94,741</u>	<u>112,041</u>	<u>112,041</u>
Current liabilities			
Borrowings	466,339	466,805	466,805
Amount due to customers for contract work	1,639	84	84
Trade and other payables	298,084	208,975	208,975
Current tax payable	39,178	39,845	39,845
	<u>805,240</u>	<u>715,709</u>	<u>715,709</u>
Total liabilities	899,981	827,750	827,750
TOTAL EQUITY AND LIABILITIES	1,242,332	1,176,726	1,215,379

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 30 SEPTEMBER 2018

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Company					Non controlling interests (NCI) RM'000	Total equity RM'000
	Non-Distributable			Distributable	Total equity attributable to owners of the parents RM'000		
	Share capital RM'000	Exchange reserve RM'000	Other reserve RM'000	Retained earnings RM'000			
30 SEPTEMBER 2018							
Balance as at 1 July 2018	128,972	(17)	(240)	153,251	281,966	105,663	387,629
Effects of adoption of MFRS				(37,618)	(37,618)	(1,035)	(38,653)
Restated balance as at 1 July 2018	128,972	(17)	(240)	115,633	244,348	104,628	348,976
(Loss)/Profit After Taxation for the Financial Period	-	-	-	(9,210)	(9,210)	2,582	(6,628)
Other Comprehensive Income	-	-	3	-	3	-	3
Closing balance as at 30 September 2018	128,972	(17)	(237)	106,423	235,141	107,210	342,351
30 JUNE 2018							
Balance as at 1 July 2017	122,665	(16)	4,274	(7,018)	119,905	93,542	213,447
Profit After Taxation for the Financial Period	-	-	-	13,232	13,232	17,741	30,973
Other Comprehensive Income	-	(1)	(4,514)	4,417	(98)	-	(98)
Issuance of ordinary shares	6,307	-	-	-	6,307	-	6,307
Transaction with Non-Controlling Interest	-	-	-	142,620	142,620	(5,620)	137,000
Closing balance as at 30 June 2018	128,972	(17)	(240)	153,251	281,966	105,663	387,629

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 30 SEPTEMBER 2018

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	1.7.2018 to 30.09.2018 Unaudited RM '000 3 months	1.7.2017 to 30.09.2017 Unaudited RM '000 3 months
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(4,440)	3,672
Adjustments for :		
Amortisation of prepaid land lease payments	1	1
Depreciation of property, plant and equipment	530	652
Gain on disposal of property, plant and equipment	(315)	(520)
Interest expense	10,004	4,998
Interest income	(123)	(117)
Impairment on receivables	56	28
Impairment on contract costs	385	-
Reversal of impairment on receivables	(150)	(2)
Unrealised loss on foreign exchange translation	1	-
Share of results of associates	10	(48)
Operating profit before working capital changes	5,959	8,664
(Increase)/decrease in development costs	(2,503)	1,674
Increase in current assets	-	(499)
Increase in current liabilities	-	59
Increase in amount due from Service Concession Receivables	(10,465)	(4,529)
Increase in amount due from/to customers for contract work	(39,180)	(40,861)
Decrease/(increase) in receivables	(28,580)	(19,025)
Increase in payables	68,240	26,260
Cash used in operations	(6,529)	(28,257)
Interest paid	(7,439)	(3,638)
Interest received	123	117
Taxation paid	(668)	(1,103)
Net cash used in operating activities	(14,513)	(32,881)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of subsidiary, net of cash received		
Purchase of property, plant and equipment	(10)	(43)
Purchase of other investment	(13)	-
Proceeds from disposal of property, plant and equipment	315	520
Proceeds from issuance of ordinary share capital	-	6,307
Net cash generated from investing activities	292	6,784



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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	1.7.2018 to 30.09.2018 Unaudited RM '000	1.7.2017 to 30.09.2017 Unaudited RM '000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of term loan	(1,177)	(1,084)
Repayment of hire purchase payables	(472)	(388)
Proceeds from drawdown of term loan	-	9,279
Decrease in fixed deposits pledged	(513)	67
Net cash (used in)/generated from financing activities	(2,162)	7,874
Net decrease in cash and cash equivalents	(16,383)	(18,223)
Cash and cash equivalents at the beginning of the year	46,142	41,900
Cash and cash equivalents at the end of the year	29,759	23,677