



ZECON BERHAD (134463-X)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Current Quarter 3 months ended		Cumulative Quarter 6 months ended	
	1.10.2019 to 31.12.2019	1.10.2018 to 31.12.2018	1.7.2019 to 31.12.2019	1.7.2018 to 31.12.2018
	Unaudited RM '000	Unaudited RM '000	Unaudited RM '000	Audited RM '000
Revenue	153,864	95,509	323,759	179,382
Cost of sales	(140,323)	(90,764)	(270,789)	(171,890)
Gross profit	13,541	4,745	52,970	7,492
Other operating income	13,621	10,711	25,343	22,032
Administrative expenses	(3,993)	(3,765)	(8,649)	(11,818)
Other expenses	(1,978)	(166)	(4,200)	(607)
Operating profit	21,191	11,525	65,464	17,099
Finance costs	(12,863)	(10,425)	(25,887)	(20,429)
Share of profit of associates	129	(113)	167	(123)
Profit/(Loss) before taxation	8,457	987	39,744	(3,453)
Income tax expense	(2,326)	(2,853)	(3,965)	(5,041)
Profit/(Loss) for the period	6,131	(1,866)	35,779	(8,494)
Profit/(Loss) for the period attributable to:				
Owners of the parent	5,062	(5,277)	34,033	(14,487)
Non controlling interest	1,069	3,411	1,746	5,993
	6,131	(1,866)	35,779	(8,494)
Earnings per share attributable to owners of the parent (sen per share)				
Basic	3.51	(4.03)	23.61	(11.06)
Diluted	3.51	(4.03)	23.61	(11.06)

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 INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 December 2019 Unaudited RM'000	30 June 2019 Audited RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	4,030	7,063
Prepaid land lease payments	107	109
Rights-of-use assets	2,173	-
Land held for development	8,141	8,141
Investment properties	593,381	593,381
Investment and share of profit in associates	2,740	2,573
Investment securities	102	110
Contract Assets	585,530	474,197
Service concession receivables	84,416	62,307
	1,280,620	1,147,881
Current assets		
Development costs	1,678	1,390
Inventories	7,353	8,546
Contract Assets	59,706	25,850
Trade and other receivables	204,405	165,165
Deposits with licensed banks	7,314	7,262
Cash and bank balances	22,528	18,165
Tax recoverables	93	93
	303,077	226,471
TOTAL ASSETS	1,583,697	1,374,352
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	132,247	128,972
Other reserves	(257)	(250)
Retained earnings	122,192	88,159
	254,182	216,881
Non controlling interest	104,043	102,297
Total equity	358,225	319,178



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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 December 2019 Unaudited RM'000	30 June 2019 Audited RM'000
Non-current liabilities		
Borrowings	-	1,165
Lease liabilities	684	-
Trade and other payables	52,281	81,029
Deferred tax liabilities	46,574	43,155
	<u>99,539</u>	<u>125,349</u>
Current liabilities		
Borrowings	657,189	613,534
Lease liabilities	1,230	-
Contract Liabilities	4,691	4,765
Trade and other payables	423,845	272,098
Current tax payable	38,978	39,428
	<u>1,125,933</u>	<u>929,825</u>
Total liabilities	<u>1,225,472</u>	<u>1,055,174</u>
TOTAL EQUITY AND LIABILITIES	<u>1,583,697</u>	<u>1,374,352</u>

These condensed consolidated statements of financial position 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 PERIOD ENDED 31 DECEMBER 2019

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	1.7.2019 to 31.12.2019 Unaudited RM '000 6 months	1.7.2018 to 30.09.2018 Unaudited RM '000 6 months
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	39,744	(3,453)
Adjustments for :		
Amortisation of prepaid land lease payments	2	2
Bad debt written off, net	96	39
Depreciation of property, plant and equipment	390	1,040
Depreciation of rigts-of-use assets	400	-
Gain on disposal of property, plant and equipment	(1,202)	(281)
Interest expense	25,887	20,429
Interest income	(13)	(244)
Impairment on receivables	250	183
Impairment on contract costs	22,073	385
Reversal of impairment on receivables	(132)	(150)
Unrealised loss on foreign exchange translation	1	1
Share of results of associates	(167)	123
Waiver of payables	(95)	-
Operating profit before working capital changes	87,234	18,074
Decrease/(increase) in development costs	1,352	(2,595)
Increase in amount due from Service Concession Receivables	(22,109)	(20,930)
Increase in contract Assets	(147,103)	(78,511)
Decrease in inventories	1,193	-
Increase in receivables	(61,231)	(29,691)
Decrease in payables	123,092	108,582
Cash used in operations	(17,572)	(5,071)
Interest paid	(19,810)	(16,139)
Interest received	13	244
Taxation paid	(996)	(1,030)
Net cash used in operating activities	(38,365)	(21,996)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(24)	(10)
Purchase of other investment	-	(13)
Proceeds from disposal of property, plant and equipment	1,202	368
Proceeds from issuance of ordinary share capital	3,275	-
Net cash generated from investing activities	4,453	345



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CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	1.7.2019 to 31.12.2019 Unaudited RM '000	1.7.2018 to 30.09.2018 Unaudited RM '000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of term loan	(3,794)	(2,803)
Repayment of hire purchase and lease liabilities	(607)	(584)
Proceeds from drawdown of term loan	42,728	-
Decrease in fixed deposits pledged	(52)	(427)
Net cash generated from/(used in) financing activities	38,275	(3,814)
Net increase/(decrease) in cash and cash equivalents	4,363	(25,465)
Cash and cash equivalents at the beginning of the period	18,165	46,142
Cash and cash equivalents at the end of the period	22,528	20,677



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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				Total equity attributable to owners of the parents RM'000	Non controlling interests (NCI) RM'000	Total equity RM'000
	Non-Distributable			Distributable			
	Share capital	Exchange reserve	Other reserve	Retained earnings			
31 DECEMBER 2019	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 July 2019	128,972	(14)	(236)	88,159	216,881	102,297	319,178
Profit After Taxation for the Financial Period	-	-	-	34,033	34,033	1,746	35,779
Issuance of ordinary shares	3,275	-	-	-	3,275	-	3,275
Other Comprehensive Income	-	-	(7)	-	(7)	-	(7)
Closing balance as at 31 December 2019	132,247	(14)	(243)	122,192	254,182	104,043	358,225
30 JUNE 2019							
Balance as at 1 July 2018	128,972	(17)	(240)	153,251	281,966	105,663	387,629
Effects of adoption of MFRS	-	-	-	(44,118)	(44,118)	(1,035)	(45,153)
Restated balance as at 1 July 2018	128,972	(17)	(240)	109,133	237,848	104,628	342,476
Loss After Taxation for the Financial Year	-	-	-	(20,974)	(20,974)	(2,331)	(23,305)
Other Comprehensive Income	-	3	4	-	7	-	7
Closing balance as at 30 June 2019	128,972	(14)	(236)	88,159	216,881	102,297	319,178

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