

## EDARAN BERHAD

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	<u>Current Year</u>	<u>Corresponding Year</u>	<u>Current Year</u>	<u>Corresponding Year</u>
	<u>Quarter</u>	<u>Quarter</u>	<u>To Date</u>	<u>To Date</u>
	<u>30/06/2014</u>	<u>30/06/2013</u>	<u>30/06/2014</u>	<u>30/06/2013</u>
	RM'000	RM'000	RM'000	RM'000
REVENUE	10,635	12,362	37,607	43,719
COST OF SALES	<u>(7,730)</u>	<u>(9,451)</u>	<u>(27,697)</u>	<u>(32,203)</u>
GROSS PROFIT	2,905	2,911	9,910	11,516
OTHER OPERATING INCOME	209	275	605	5,136
ADMINISTRATIVE EXPENSES	(2,456)	(2,685)	(9,852)	(11,129)
OTHER OPERATING EXPENSES	<u>(1,090)</u>	<u>(1,376)</u>	<u>(4,366)</u>	<u>(6,320)</u>
LOSS FROM OPERATIONS	(432)	(875)	(3,703)	(797)
FINANCE COSTS	<u>(97)</u>	<u>(94)</u>	<u>(385)</u>	<u>(371)</u>
LOSS BEFORE TAXATION	(529)	(969)	(4,088)	(1,168)
TAXATION	<u>(4)</u>	<u>27</u>	<u>(4)</u>	<u>27</u>
LOSS AFTER TAXATION	<u><u>(533)</u></u>	<u><u>(942)</u></u>	<u><u>(4,092)</u></u>	<u><u>(1,141)</u></u>
EARNINGS / (LOSS) PER SHARE (SEN)	<u><u>(1.09)</u></u>	<u><u>(1.38)</u></u>	<u><u>(7.38)</u></u>	<u><u>(1.06)</u></u>
ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	(631)	(798)	(4,272)	(616)
MINORITY INTEREST	<u>97</u>	<u>(144)</u>	<u>180</u>	<u>(525)</u>
	<u><u>(533)</u></u>	<u><u>(942)</u></u>	<u><u>(4,092)</u></u>	<u><u>(1,141)</u></u>

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)

**EDARAN BERHAD**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014**

		<u>AS AT END</u> <u>OF CURRENT YEAR</u> <u>TO DATE</u> <u>30/06/2014</u> RM'000	<u>AS AT</u> <u>PRECEDING YEAR</u> <u>FINANCIAL YEAR</u> <u>ENDED</u> <u>30/06/2013</u> RM'000
	Note		
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment		24,823	26,379
Other investment	20	-	-
		24,823	26,379
<b>CURRENT ASSETS</b>			
Inventories		7,754	6,897
Amount due from customers for contract works		3,590	4,164
Trade and other receivables		8,333	6,026
Deposit with licensed banks		3,261	10,507
Cash and bank balances		420	517
		23,358	28,111
<b>TOTAL ASSETS</b>		<b>48,181</b>	<b>54,490</b>
<b>EQUITY AND LIABILITIES</b>			
Equity attributable to owners of the Company			
Share capital		60,000	60,000
Share premium		8,022	8,022
Treasury shares		(1,049)	(1,049)
Revaluation reserve		5,845	5,900
Translation reserve		(897)	(199)
Accumulated loss		(39,296)	(35,106)
		32,625	37,568
Non - controlling interests		(3,091)	(2,609)
<b>TOTAL EQUITY</b>		<b>29,534</b>	<b>34,959</b>
<b>NON - CURRENT LIABILITIES</b>			
Borrowings	22 (b)	505	728
Deferred taxation		1,935	1,962
		2,440	2,690
<b>CURRENT LIABILITIES</b>			
Amount due to customers for contract works		623	808
Trade and other payables		10,155	11,147
Borrowings	22 (a)	5,429	4,886
		16,207	16,841
Total liabilities		18,647	19,531
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>48,181</b>	<b>54,490</b>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)

**EDARAN BERHAD**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 JUNE 2014**

	← Non-Distributable →						Attributable to Equity Holders of the Company		Minority Interest	Total Equity
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Revaluation Reserve RM'000	Translation Reserve RM'000	AFS Reserve RM'000	Accumulated Loss RM'000	Total RM'000	RM'000	Total RM'000
At 1 July 2013	60,000	8,022	(1,049)	5,900	(199)	-	(35,106)	37,568	(2,609)	34,959
Foreign currency translation	-	-	-	-	(698)	-	-	(698)	(662)	(1,360)
Crystallisation of deferred tax liability on revaluation reserve	-	-	-	27	-	-	-	27	-	27
Loss for the period	-	-	-	-	-	-	(4,272)	(4,272)	180	(4,092)
Total comprehensive loss for the period	-	-	-	27	(698)	-	(4,272)	(4,943)	(482)	(5,425)
Realisation of revaluation reserve				(82)		-	82	-	-	-
<b>At 30 JUNE 2014</b>	<b>60,000</b>	<b>8,022</b>	<b>(1,049)</b>	<b>5,845</b>	<b>(897)</b>	<b>0</b>	<b>(39,296)</b>	<b>32,625</b>	<b>(3,091)</b>	<b>29,534</b>
At 1 July 2012	60,000	8,022	(1,049)	5,955	(314)	2	(34,569)	38,047	(2,204)	35,843
Loss on changes in fair value of available-for-sale investment	-	-	-	-	-	(2)	-	(2)	-	(2)
Foreign currency translation	-	-	-	-	115	-	-	115	116	231
Crystallisation of deferred tax liability on revaluation reserve	-	-	-	27	-	-	-	27	-	27
Loss for the period	-	-	-	-	-	-	(619)	(619)	(521)	(1,140)
Total comprehensive loss for the period	-	-	-	27	115	(2)	(619)	(479)	(405)	(884)
Realisation of revaluation reserve				(82)		-	82	-	-	-
<b>At 30 JUNE 2013</b>	<b>60,000</b>	<b>8,022</b>	<b>(1,049)</b>	<b>5,900</b>	<b>(199)</b>	<b>-</b>	<b>(35,106)</b>	<b>37,568</b>	<b>(2,609)</b>	<b>34,959</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)

**EDARAN BERHAD****CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR QUARTER ENDED 30 JUNE 2014**

	Current Year to date 30/06/14 RM' 000	Corresponding Year to date 30/06/13 RM' 000
Net cash (used in)/generated from operating activities	(6,045)	(12,095)
Net cash (used in)/generated from investing activities	(552)	12,374
Net cash generated from/(used in) financing activities	<u>32</u>	<u>3,887</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(6,565)	4,166
Effect of Exchange rate changes	(1,145)	210
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	5,542	1,166
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u><u>(2,168)</u></u>	<u><u>5,542</u></u>

Cash and cash equivalents comprise the following:

Bank overdrafts	(3,211)	(3,287)
Deposits with licensed banks	3,261	10,507
Cash and bank balances	<u>420</u>	<u>517</u>
	470	7,737
Less: Deposits pledged as security with licensed banks	<u>(2,638)</u>	<u>(2,195)</u>
	<u><u>(2,168)</u></u>	<u><u>5,542</u></u>

**(The condensed Consolidated Cash Flow Statement should be read in conjunction with the  
Annual Financial Report for the year ended 30 June 2013)**

# **EDARAN BERHAD**

## **NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 30 JUNE 2014**

### **1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) No 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad (“BMSB”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2013. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2013.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the financial statements for the year ended 30 June 2013.

### **2. Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the financial statements for the year ended 30 June 2013 was not qualified.

### **3. Comments About Seasonal or Cyclical Factors**

The Group’s performance is not affected by seasonal or cyclical impacts.

### **4. Unusual Items Due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows in the current quarter and financial period ended 30 June 2014

## 5. Changes in estimates

There were no changes in the estimates that have had a material effect in the current quarter and financial period ended 30 June 2014.

## 6. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the current quarter and financial period ended 30 June 2014 other than as mentioned below:-

As at 30 June 2014, the Company held as treasury shares a total of 2,094,800 of its 60,000,000 issued ordinary shares. Such treasury shares are held at a carrying amount of RM1,049,536.

## 7. Dividends Paid

There is no dividend paid during the financial period ended 30 June 2014.

## 8. Segmental Information

	Current Quarter Ended 30/06/14 RM'000	Current Year To Date Ended 30/06/14 RM'000
Segment Revenue		
Information Technology	8,099	28,124
Telecommunications	-	-
Lifestyles	2,536	9,483
Others	162	648
	<u>10,797</u>	<u>38,255</u>
Elimination	(162)	(648)
Group revenue	<u>10,635</u>	<u>37,607</u>
Segment Results		
Information Technology	544	430
Telecommunications	(200)	(872)
Lifestyles	117	101
Others	57	(1,976)
	<u>518</u>	<u>(2,317)</u>
Elimination	(950)	(1,386)
Loss from operations	<u>(432)</u>	<u>(3,703)</u>

**9. Carrying Amount of Revalued Assets**

The valuation of property, plant and equipment and investment properties have been brought forward without amendment from the financial statements for the year ended 30 June 2013.

**10. Subsequent Events**

There were no material events subsequent to the end of the current quarter and financial period ended 30 June 2014.

**11. Changes in Composition of the Group**

There were no changes in the composition of the Group during the current quarter and financial period ended 30 June 2014.

**12. Changes in Contingent Liabilities and Contingent Assets**

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet as at 30 June 2013.

**13. Capital Commitments**

There were no capital commitments for the current quarter and financial period ended 30 June 2014.

**14. Performance Review**

The Group's revenue for the current quarter and financial period ended 30 June 2014 decreased to RM37.607 million from RM43.719 million in the prior corresponding quarter and financial period ended 30 June 2013. The decrease in revenue resulted in the Group recording a loss before taxation of RM4.088 million compared to a loss before taxation of RM1.168 million for the corresponding quarter and financial period ended 30 June 2013.

## 15. Comment on Material Change in Profit Before Taxation

The Group recorded a loss before taxation of RM529 thousand for the current quarter ended 30 June 2014 (4Q14) as compared to RM1,309 million loss before taxation for the quarter ended 31 March 2014 (3Q14). The variance was mainly attributable to higher gross profit of RM2.905 million registered in 4Q14 as compared to RM2.172 million registered in 3Q14.

## 16. Commentary on Prospects

The financial performance of the Group is expected to improve in the subsequent quarters.

## 17. Profit Forecast or Profit Guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interest and shortfall in profit guarantee are not applicable.

## 18. Taxation

	Current Quarter Ended 30/06/14 RM'000	Current Year To Date Ended 30/06/14 RM'000
Current year tax	4	4
Tax recoverable arising from dividend income received	Nil	Nil
Under/(over) provision in prior years	<u>Nil</u>	<u>Nil</u>
	Nil	Nil
Deferred tax:		
Over provision in prior years	<u>Nil</u>	<u>Nil</u>
	<u>4</u>	<u>4</u>



## 19. Sale of Unquoted Investments and Properties

There were no sales of unquoted investments and properties during the quarter and financial period ended 30 June 2014.

## 20. Quoted and Unquoted securities

- i. There was no purchase or sale of quoted shares for the current quarter and financial year to date.
- ii. Investments in quoted and unquoted securities/warrants as at the end of the reporting period:-

	<u>RM'000</u>
<u>Quoted</u>	
Shares, at cost	5
Less: Accumulated impairment losses	(5)
Total investment at book value	<u>0</u>

## 21. Corporate Proposals

There were no corporate proposals announced for the current period and financial year to date.

## 22. Borrowings and Debt Securities

Details of the Group borrowings as at 30 June 2014 are as follows:

	As at 30.06.14 RM'000
<b>(a) <u>Short Term borrowings</u></b>	
<b><u>Secured</u></b>	
Bank Overdraft	3,212
Trust Receipts	-
Bankers Acceptance	1,783
Term loan repayable within 12 months	327
Hire purchase creditor repayable within 12 months	107
	<hr/> 5,429 <hr/>
<b>(b) <u>Long Term borrowings</u></b>	
<b><u>Secured</u></b>	
Term loan repayable after 12 months	361
Hire purchase creditor after 12 months	144
	<hr/> 505 <hr/>

All of the above borrowings are denominated in Ringgit Malaysia.

## 23. Off Balance Sheet Financial Instruments

The Group is not involved in any financial instruments, which may have Off-Balance Sheet risk.

## 24. Dividend

No interim dividend has been declared or recommended in respect of the financial year ended 30 June 2014.

## 25. Earnings per share

	Current Quarter ended 30/06/14 RM'000	Current Year To Date Ended 30/06/14 RM'000
<b>Basic</b>		
Net (loss) / profit attributable to equity holders of the Company for the period	(631)	(4,272)
Weighted average number of ordinary shares outstanding as at 30 June 2014	57,905	57,905
Basic (loss) / earnings per share (sen)	(1.09)	(7.38)
<b>Diluted</b>		
Net profit attributable to equity holders of the Company for the period	(631)	(4,272)
Weighted average number of ordinary shares outstanding as at 30 June 2014	57,905	57,905
Basic earnings per share (sen)	(1.09)	(7.38)

## 26. Realised and unrealised retained earnings / accumulated loss

	As at 30/06/14 RM'000	As at 30/06/14 RM'000
<b>Total Accumulated Loss (Company and subsidiaries)</b>		
- Realised	(39,296)	(35,106)
- Unrealised	-	-
<b>Total group accumulated loss</b>	<b>(39,296)</b>	<b>(35,106)</b>

## 27. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 August 2014.

**BY ORDER OF THE BOARD**

**DATIN RIZANA MOHD DAUD**  
Company Secretary