

EDARAN BERHAD

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
	<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>31/12/2018</u>	<u>31/12/2017</u>	<u>31/12/2018</u>	<u>31/12/2017</u>
	RM'000	RM'000	RM'000	RM'000
REVENUE	14,031	34,402	35,494	52,470
COST OF SALES	(8,935)	(28,133)	(26,001)	(41,710)
GROSS PROFIT	5,096	6,269	9,493	10,760
OTHER OPERATING INCOME	124	79	300	218
ADMINISTRATIVE EXPENSES	(3,231)	(4,335)	(5,881)	(7,224)
OTHER OPERATING EXPENSES	(940)	(1,365)	(1,852)	(2,452)
PROFIT FROM OPERATIONS	1,049	648	2,060	1,302
FINANCE COSTS	(275)	(373)	(742)	(787)
PROFIT BEFORE TAXATION	774	275	1,318	515
TAXATION	(296)	0	(268)	0
PROFIT AFTER TAXATION	478	275	1,050	515
EARNINGS PER SHARE (SEN)	0.84	1.08	1.83	2.19
ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	485	623	1,062	1,271
MINORITY INTEREST	(7)	(348)	(12)	(756)
	478	275	1,050	515

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2018)

EDARAN BERHAD

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	<u>AS AT END</u> <u>OF CURRENT YEAR</u> <u>TO DATE</u>	<u>AS AT</u> <u>PRECEDING YEAR</u> <u>FINANCIAL YEAR</u> <u>ENDED</u>
Note	<u>31/12/2018</u> RM'000	<u>30/06/2018</u> RM'000
ASSETS		
NON - CURRENT ASSETS		
Property, plant and equipment	25,147	26,345
Investment in Associate	1,039	1,039
	<u>26,186</u>	<u>27,384</u>
CURRENT ASSETS		
Amount due from customers for contract works	7,831	21
Amount due by related company	11,486	11,486
Trade receivables	5,534	6,517
Other receivables	2,651	6,242
Deposit with licensed banks	7,481	29,871
Cash and bank balances	825	2,138
	<u>35,808</u>	<u>56,275</u>
TOTAL ASSETS	<u>61,994</u>	<u>83,659</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	68,022	68,022
Treasury shares	(1,049)	(1,049)
Revaluation reserve	8,389	8,389
Translation reserve	(3)	3
Accumulated loss	<u>(42,955)</u>	<u>(44,017)</u>
	32,404	31,348
Non - controlling interests	<u>(1,076)</u>	<u>(1,064)</u>
TOTAL EQUITY	<u>31,328</u>	<u>30,284</u>
NON - CURRENT LIABILITIES		
Borrowings	5,819	7,097
Deferred taxation	2,680	2,680
	<u>8,499</u>	<u>9,777</u>
CURRENT LIABILITIES		
Amount due to customers for contract works	6,793	7,589
Trade payables	6,228	30,439
Other payables	2,939	2,520
Provision for taxation	1,839	1,602
Borrowings	4,368	1,448
	<u>22,167</u>	<u>43,598</u>
Total liabilities	<u>30,666</u>	<u>53,375</u>
TOTAL EQUITY AND LIABILITIES	<u>61,994</u>	<u>83,659</u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June 2018)

EDARAN BERHAD

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 2018

	← Non-Distributable →				Accumulated Loss RM'000	Attributable to Equity Holders of the Company	Minority Interest	Total Equity
	Share Capital RM'000	Treasury Shares RM'000	Revaluation Reserve RM'000	Translation Reserve RM'000		Total RM'000	RM'000	Total RM'000
At 1 July 2018	68,022	(1,049)	8,389	3	(44,017)	31,348	(1,064)	30,284
Foreign currency translation	-	-	-	(6)	-	(6)	0	(6)
Profit for the period	-	-	-	-	1,062	1,062	(12)	1,050
Total comprehensive profit for the period	-	-	-	(6)	1,062	1,056	(12)	1,044
At 31 December 2018	68,022	(1,049)	8,389	(3)	(42,955)	32,404	(1,076)	31,328
At 1 July 2017	68,022	(1,049)	8,536	252	(45,509)	30,252	(4,330)	25,922
Foreign currency translation	-	-	-	(599)	-	(599)	-565	(1,164)
Profit for the period	-	-	-	-	1,271	1,271	(756)	515
Total comprehensive loss for the period	-	-	-	(599)	1,271	672	(1,321)	(649)
At 31 December 2017	68,022	(1,049)	8,536	(347)	(44,238)	30,924	(5,651)	25,273

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual
Financial Report for the year ended 30 June 2018)

EDARAN BERHAD

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR QUARTER ENDED 31 DECEMBER 2018**

	Current Year to date 31/12/18 RM' 000	Corresponding Year to date 31/12/17 RM' 000
Net cash (used in)/generated from operating activities	(25,249)	2,043
Net cash (used in)/generated from investing activities	(91)	(65)
Net cash generated from/(used in) financing activities	<u>1,351</u>	<u>2,101</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(23,989)	4,079
Effect of Exchange rate changes	(6)	(1,164)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	31,797	18,108
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>7,802</u></u>	<u><u>21,023</u></u>
Cash and cash equivalents comprise the following:		
Bank overdrafts	(288)	-
Deposits with licensed banks	7,481	18,509
Cash and bank balances	<u>825</u>	<u>2,726</u>
	8,018	21,235
Less: Deposits pledged as security with licensed banks	(216)	(212)
	<u><u>7,802</u></u>	<u><u>21,023</u></u>

**(The condensed Consolidated Cash Flow Statement should be read in conjunction with the
Annual Financial Report for the year ended 30 June 2018)**

EDARAN BERHAD

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2018

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 2018. 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 2018.

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 2018.

2. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the year ended 30 June 2018 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 31 December 2018.

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 31 December 2018.

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 31 December 2018 other than as mentioned below:-

As at 31 December 2018, 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 31 December 2018.

8. Segmental Information

	Current Quarter Ended 31/12/18 RM'000	Current Year To Date Ended 31/12/18 RM'000
Segment Revenue		
Information Technology	14,031	34,494
Telecommunications	-	-
Lifestyle	-	-
Others	885	1,770
	<u>14,916</u>	<u>36,264</u>
Elimination	(885)	(1,770)
Group revenue	<u>14,031</u>	<u>34,494</u>
Segment Results		
Information Technology	1,727	3,009
Telecommunications	(170)	(358)
Lifestyle	(95)	(189)
Others	(346)	(261)
	<u>1,116</u>	<u>2,201</u>
Elimination	(67)	(141)
Profit from operations	<u>1,049</u>	<u>2,060</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 2018.

10. Subsequent Events

There were no material events subsequent to the end of the current quarter and financial period ended 31 December 2018.

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 31 December 2018.

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 2018.

13. Capital Commitments

There were no capital commitments for the current quarter and financial period ended 31 December 2018.

14. Performance Review

The Group's revenue for the current quarter and financial period ended 31 December 2018 decreased to RM35.494 million from RM52.470 million in the prior corresponding quarter and financial period ended 31 December 2017. However, the decrease in operating costs resulted in the Group recording a profit before taxation of RM1.050 million compared to a profit before taxation of RM515 thousand in the corresponding quarter and financial period ended 31 December 2017.

15. Comment on Material Change in Profit Before Taxation

The Group recorded a profit before taxation of RM774 thousand for the current quarter ended 31 December 2018 (2Q19) as compared to RM544 thousand profit before taxation for the quarter ended 30 September 2018 (1Q19). The variance was mainly attributable to higher gross profit of RM5.096 million registered in 2Q19 as compared to RM4.397 million registered in 1Q19.

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 31/12/18 RM'000	Current Year To Date Ended 31/12/18 RM'000
Current year provision	Nil	Nil
Under/(over) provision in prior years	296	268
	<u>296</u>	<u>268</u>
Deferred tax:		
Relating to the origination and reversal of temporary differences	Nil	Nil
Over provision in prior years	Nil	Nil
	<u>296</u>	<u>268</u>

19. Sale of Unquoted Investments and Properties

There were no sales of unquoted investments and properties during the quarter and financial period ended 31 December 2018.

20. Quoted and Unquoted securities

There was no purchase or sale of quoted shares for the current quarter and financial year to date.

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 31 December 2018 are as follows:

As at
31.12.18
RM'000

(a) Short Term borrowings Secured

Bank Overdraft	288
Trust Receipts	-
Bankers Acceptance	2,633
Term loan repayable within 12 months	310
Hire purchase creditor repayable within 12 months	1,137
	<hr/>
	4,368
	<hr/>

(b) Long Term borrowings Secured

Term loan repayable after 12 months	5,141
Hire purchase creditor after 12 months	678
	<hr/>
	5,819
	<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 ending 30 June 2018.

25. Earnings per share

	Current Quarter ended 31/12/18 RM'000	Current Year To Date Ended 31/12/18 RM'000
Basic		
Net profit attributable to equity holders of the Company for the period	485	1,062
Weighted average number of ordinary shares as at 30 June 2018	57,905	57,905
Basic earnings per share (sen)	0.84	1.83
Diluted		
Net profit attributable to equity holders of the Company for the period	485	1,062
Weighted average number of ordinary shares as at 30 June 2018	57,905	57,905
Basic earnings per share (sen)	0.84	1.83

26. Realised and unrealised retained earnings / accumulated loss

	As at 31/12/18 RM'000
Total Accumulated Loss (Company and subsidiaries)	
- Realised	(40,500)
- Unrealised	(2,455)
Total group accumulated loss	(42,955)

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 26 February 2019.

BY ORDER OF THE BOARD

ASBANIZAM ABU BAKAR
Company Secretary