

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>31/12/2021</u>	<u>31/12/2020</u>	<u>31/12/2021</u>	<u>31/12/2020</u>
	RM'000	RM'000	RM'000	RM'000
REVENUE	16,389	11,004	25,555	24,056
COST OF SALES	(9,444)	(4,407)	(13,788)	(11,508)
GROSS PROFIT	6,945	6,597	11,767	12,548
OTHER OPERATING INCOME	63	87	125	156
ADMINISTRATIVE EXPENSES	(4,594)	(3,992)	(7,704)	(7,604)
OTHER OPERATING EXPENSES	(1,688)	(1,432)	(3,014)	(2,766)
PROFIT FROM OPERATIONS	726	1,260	1,174	2,334
FINANCE COSTS	(182)	(141)	(354)	(187)
PROFIT BEFORE TAXATION	544	1,119	820	2,147
TAXATION	(422)	0	(558)	(13)
PROFIT AFTER TAXATION	122	1,119	262	2,134
EARNINGS PER SHARE (SEN)	0.21	1.95	0.45	3.71
ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	123	1,129	263	2,150
MINORITY INTEREST	-1	-10	-1	-16
	122	1,119	262	2,134

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2021)

EDARAN BERHAD

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	<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>31/12/2021</u> RM'000	<u>30/06/2021</u> RM'000
ASSETS		
NON - CURRENT ASSETS		
Property, plant and equipment	9,631	9,608
Right of use assets	22,127	17,070
Intangible assets	677	616
Other Investment - Quoted	28	28
	<u>32,463</u>	<u>27,322</u>
CURRENT ASSETS		
Amount due from customers for contract works	1,061	4,008
Trade receivables	14,272	7,014
Other receivables	808	762
Tax recoverable	12	11
Deposit with licensed banks	6,064	5,536
Cash and bank balances	2,122	4,696
	<u>24,339</u>	<u>22,027</u>
TOTAL ASSETS	<u>56,802</u>	<u>49,349</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	13,196	7,946
Translation reserve	(6)	(6)
Accumulated loss	(50,216)	(50,479)
	<u>29,947</u>	<u>24,434</u>
Non - controlling interests	(998)	(995)
TOTAL EQUITY	<u>28,949</u>	<u>23,439</u>
NON - CURRENT LIABILITIES		
Borrowings	5,598	6,274
Deferred taxation	4,213	2,555
	<u>9,811</u>	<u>8,829</u>
CURRENT LIABILITIES		
Amount due to customers for contract works	3,325	3,403
Trade payables	5,099	6,870
Other payables	5,428	2,735
Provision for taxation	2,230	2,357
Borrowings	1,960	1,716
	<u>18,042</u>	<u>17,081</u>
Total liabilities	<u>27,853</u>	<u>25,910</u>
TOTAL EQUITY AND LIABILITIES	<u>56,802</u>	<u>49,349</u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June 2021)

EDARAN BERHAD

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 2021

	← 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 2021	68,022	(1,049)	7,946	(6)	(50,479)	24,434	(995)	23,439
Foreign currency translation	-	-	-	-	-	-	(2)	(2)
Profit for the period	-	-	-	-	263	263	(1)	262
Revaluation surplus of leasehold land and buildings	-	-	5,250	-	-	5,250	-	5,250
Total comprehensive profit for the period	-	-	5,250	-	263	5,513	(3)	5,510
At 31 December 2021	68,022	(1,049)	13,196	(6)	(50,216)	29,947	(998)	28,949
At 1 July 2020	68,022	(1,049)	8,093	(5)	(52,142)	22,919	(976)	21,943
Foreign currency translation	-	-	-	(3)	-	(3)	(2)	(5)
Profit for the period	-	-	-	-	2,150	2,150	(16)	2,134
Total comprehensive profit for the period	-	-	-	(3)	2,150	2,147	(18)	2,129
At 31 December 2020	68,022	(1,049)	8,093	(8)	(49,992)	25,066	(994)	24,072

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2021)

EDARAN BERHAD**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR QUARTER ENDED 31 DECEMBER 2021**

	Current Year to date 31/12/2021 RM' 000	Corresponding Year to date 31/12/2020 RM' 000
Net cash (used in) / generated from operating activities	(1,826)	8,596
Net cash generated from / (used in) investing activities	209	(2,488)
Net cash (used in) / generated from financing activities	<u>(432)</u>	<u>1,644</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(2,049)	7,752
Effect of Exchange rate changes	0	(3)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	10,008	4,050
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>7,959</u></u>	<u><u>11,799</u></u>

Cash and cash equivalents comprise the following:

Bank overdrafts	-	-
Deposits with licensed banks	6,064	8,290
Cash and bank balances	<u>2,122</u>	<u>3,736</u>
	8,186	12,026
Less: Deposits pledged as security with licensed banks	<u>(227)</u>	<u>(227)</u>
	<u><u>7,959</u></u>	<u><u>11,799</u></u>

**(The condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual
Financial Report for the year ended 30 June 2021)**

EDARAN BERHAD

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2021

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 2021. 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 2021.

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 2021.

2. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the year ended 30 June 2021 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 2021.

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 2021.

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 2021 other than as mentioned below: -

As at 31 December 2021, 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. Segmental Information

	Current Quarter Ended 31/12/2021 RM'000	Current Year To Date Ended 31/12/2021 RM'000
Segment Revenue		
Information Technology	17,135	26,301
Telecommunications	481	481
Lifestyle	-	-
Others	2,850	3,750
	<u>20,466</u>	<u>30,532</u>
Elimination	<u>(4,077)</u>	<u>(4,977)</u>
Group revenue	<u>16,389</u>	<u>25,555</u>
Segment Results		
Information Technology	1,439	2,085
Telecommunications	951	805
Lifestyle	(97)	(193)
Others	1,404	1,449
	<u>3,697</u>	<u>4,146</u>
Elimination	<u>(2,971)</u>	<u>(2,972)</u>
Profit from operations	<u>726</u>	<u>1,174</u>

8. Dividends Paid

There is no dividend paid during the financial period ended 31 December 2021.

9. Carrying Amount of Revalued Assets

On 04 October 2021, the leasehold land and building of the subsidiary companies were revalued by an independent professional valuer. Fair value is determined by reference to market value or/and forced sale value on an existing use basis. Market Value is the estimate amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller, while Forced Sale Value is the amount that may reasonably be received from the sale of a property under forced sale conditions that do not meet all the criteria of a normal market transactions. The valuation surplus of RM5.250 million arising from the revaluation of the leasehold land and building is credited into the revaluation reserve.

10. Subsequent Events

There were no material events subsequent to the end of the current quarter and financial period ended 31 December 2021.

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 2021.

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 2021.

13. Capital Commitments

There were no capital commitments for the current quarter and financial period ended 31 December 2021.

14. Performance Review

The Group's revenue for the current quarter and financial period ended 31 December 2021 increased to RM25.555 million from RM24.056 million in the prior corresponding quarter and financial period ended 31 December 2020. However, the decrease in gross profit margin and higher operating costs resulted in the Group recording a lower profit before taxation of RM820 thousand compared to a profit before taxation of RM2.147 million in the corresponding quarter and financial period ended 31 December 2020.

15. Comment on Material Change in Profit Before Taxation

The Group recorded a profit before taxation of RM544 thousand for the current quarter ended 31 December 2021 (2Q22) as compared to RM275 thousand profit before taxation for the quarter ended 30 September 2021 (1Q22). The variance was mainly attributable to higher gross profit of RM6.945 million registered in 2Q22 as compared to RM4.822 million registered in 1Q22. However, during 2Q22, the Group also incurred higher operating costs of RM6.282 million as compared to RM4.436 million in 1Q22.

16. Commentary on Prospects

The financial performance of the Group is expected to improve with the continuation of the projects the Group is currently undertaking.

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 31/12/2021 RM'000	Current Year To Date Ended 31/12/2021 RM'000
Current year provision	422	558
Under/(over) provision in prior years	Nil	Nil
	<u>422</u>	<u>558</u>
Deferred tax:		
Relating to the origination and reversal of temporary differences	Nil	Nil
Over provision in prior years	Nil	Nil
	<u>422</u>	<u>558</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 2021.

20. Quoted securities

As at
31.12.2021
RM'000

At Fair Value

Equity Securities:
- Quoted Shares

28

Analysed as follows:
Non-Current

28

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 2021 are as follows:

As at
31.12.2021
RM'000

(a) Short Term borrowings Secured

Bank Overdraft	-
Bankers' Acceptance	360
Term loan repayable within 12 months	368
Hire purchase creditor repayable within 12 months	1,200
Lease liability	32

1,960

22. Borrowings and Debt Securities (cont'd)

Details of the Group borrowings as at 31 December 2021 are as follows (cont'd):

	As at 31.12.2021 RM'000
(b) <u>Long Term borrowings</u> <u>Secured</u>	
Term loan repayable after 12 months	4,284
Hire purchase creditor after 12 months	1,314
	<hr/> <u>5,598</u>

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 Payable

No interim dividend has been declared or recommended during the current quarter ended 31 December 2021.

25. Earnings per share

	Current Quarter ended 31/12/2021 RM'000	Current Year To Date Ended 31/12/2021 RM'000
Basic		
Profit attributable to equity holders of the Company	123	263
Weighted average number of ordinary shares as at 30 June 2021	57,905	57,905
Basic earnings per share (sen)	0.21	0.45

25. Earnings per share (cont'd)

	Current Quarter ended 31/12/2021 RM'000	Current Year To Date Ended 31/12/2021 RM'000
Diluted		
Profit attributable to equity holders of the Company	123	263
Weighted average number of ordinary shares as at 30 June 2021	57,905	57,905
Diluted earnings per share (sen)	0.21	0.45

26. 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 23 February 2022.

BY ORDER OF THE BOARD

ASBANIZAM ABU BAKAR
Company Secretary