

M3 TECHNOLOGIES (ASIA) BERHAD (482772-D)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
For the Nine (9) months ended 31 March 2016

	Current quarter 3 months ended		Cumulative quarter 9 months ended	
	31-Mar-16 Unaudited RM'000	31-Mar-15 Unaudited RM'000	31-Mar-16 Unaudited RM'000	31-Mar-15 Unaudited RM'000
Revenue	10,178	9,807	32,011	24,763
Operating Expenses	(9,401)	(10,057)	(30,503)	(27,237)
Profit/(Loss) from Operations	<u>777</u>	<u>(250)</u>	<u>1,508</u>	<u>(2,474)</u>
Net interest income/(expense)	(8)	(3)	(21)	(16)
Share of results in a jointly controlled entity	-	16	-	11
Share of results in an associate	(205)	(351)	(753)	(536)
Profit/(Loss) before taxation	<u>564</u>	<u>(588)</u>	<u>734</u>	<u>(3,015)</u>
Income tax expense	(391)	(168)	(1,116)	(441)
Net Profit/(Loss) for the period	<u><u>173</u></u>	<u><u>(756)</u></u>	<u><u>(382)</u></u>	<u><u>(3,456)</u></u>
Other comprehensive income/(loss), net of tax				
Foreign currency translation differences	<u>(1,963)</u>	<u>1,039</u>	<u>(836)</u>	<u>2,380</u>
Other comprehensive income/(loss) for the period, net of tax	<u>(1,963)</u>	<u>1,039</u>	<u>(836)</u>	<u>2,380</u>
Total comprehensive income/(loss) for the period	<u><u>(1,790)</u></u>	<u><u>283</u></u>	<u><u>(1,218)</u></u>	<u><u>(1,076)</u></u>
Attributable to:				
Equity holders of the Company	(316)	(903)	(1,983)	(4,013)
Non-controlling interests	<u>489</u>	<u>147</u>	<u>1,601</u>	<u>557</u>
	<u><u>173</u></u>	<u><u>(756)</u></u>	<u><u>(382)</u></u>	<u><u>(3,456)</u></u>
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	(1,716)	(91)	(2,718)	(2,179)
Non-controlling interests	<u>(74)</u>	<u>374</u>	<u>1,500</u>	<u>1,103</u>
	<u><u>(1,790)</u></u>	<u><u>283</u></u>	<u><u>(1,218)</u></u>	<u><u>(1,076)</u></u>
Earnings/(loss) per share				
Basic / Diluted (sen)	(0.16)	(0.51)	(1.05)	(2.27)

(The Condensed Consolidated Statements of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2015 and the accompanying explanatory notes attached to these interim financial statements)

M3 TECHNOLOGIES (ASIA) BERHAD (482772-D)

(Incorporated in Malaysia)

NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS**For the Nine (9) months ended 31 March 2016**

	Current quarter		Cumulative quarter	
	3 months ended		9 months ended	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before taxation				
Included in the Profit/(loss) before tax are the following items:				
Amortisation of product development expenditure	241	316	776	1,018
Bad debts recovered	100	111	100	77
Bad debts written off	-	-	-	4
Depreciation of plant and equipment	300	302	953	852
(Gain)/loss on disposal of plant and equipment	-	1	-	2
<u>(Gain)/loss on foreign exchange translation</u>		-		
- Realised	9	68	34	65
- Unrealised	161	184	37	275
- Interest expense	10	9	29	29
- Interest income	(2)	(7)	(8)	(13)
Inventories written off	-	115	-	83
Plant and equipment written off	-	1	9	61
Provision for doubtful debts	-	313	288	614

There is no income/expenses in relation to the below items :

- Gain/loss on derivatives
- Exceptional items (Otherwise disclosed)
- Impairment loss on goodwill
- Impairment loss on investment in a jointly controlled entity
- Inventories written down; and
- Product development expenditure written off

(The Condensed Consolidated Statements of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2015 and the accompanying explanatory notes attached to these interim financial statements)

M3 TECHNOLOGIES (ASIA) BERHAD (482772-D)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at 31 March 2016

	31-Mar-16	30-Jun-15
	Unaudited	Audited
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	4,038	4,199
Intangible assets	4,236	3,706
Interest in a jointly controlled entity	-	-
Investment in an associate	4,988	5,740
	<u>13,262</u>	<u>13,645</u>
Current Assets		
Inventories	4,912	3,161
Trade and other receivables	24,731	23,573
Amount due from related company	-	-
Tax refundable	1,585	783
Cash and bank balances	7,696	3,512
	<u>38,924</u>	<u>31,029</u>
TOTAL ASSETS	<u>52,186</u>	<u>44,674</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	19,732	18,561
Share premium	4,631	4,573
Treasury shares	(566)	(566)
Retained earnings	270	2,588
Foreign currency translation reserve	1,225	1,625
	<u>25,292</u>	<u>26,781</u>
Non-controlling interests	<u>5,659</u>	<u>4,904</u>
Total equity	<u>30,951</u>	<u>31,685</u>
Current Liabilities		
Trade and other payables	19,107	11,658
Loans and borrowings	159	160
Amount due to a director	1,390	500
Tax payable	41	18
	<u>20,697</u>	<u>12,336</u>
Non-current Liabilities		
Loans and borrowings	481	588
Deferred tax liabilities	57	55
Provision for gratuity	-	10
	<u>538</u>	<u>653</u>
Total liabilities	<u>21,235</u>	<u>12,989</u>
TOTAL EQUITY AND LIABILITIES	<u>52,186</u>	<u>44,674</u>
Net assets per share attributable to ordinary equity holders of the parent (sen)	12.99	14.63

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2015 and the accompanying explanatory notes attached to these interim financial statements)

M3 TECHNOLOGIES (ASIA) BERHAD (482772-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**For the Nine (9) months ended 31 March 2016**

	Share Capital	Share Premium	Treasury Shares	Foreign Currency Translation Reserve	Retained Earnings	Total	Non-Controlling Interests	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Nine (9) months ended 31 March 2016								
Balance at 1 July 2015	18,561	4,572	(566)	1,625	2,588	26,780	4,905	31,685
Issuance of shares	1,171	59	-	-	-	1,230	-	1,230
Total comprehensive income/(loss) for the period	-	-	-	(400)	(2,318)	(2,718)	754	(1,964)
Balance at 31 March 2016	<u>19,732</u>	<u>4,631</u>	<u>(566)</u>	<u>1,225</u>	<u>270</u>	<u>25,292</u>	<u>5,659</u>	<u>30,951</u>
Nine (9) months ended 31 March 2015								
Balance at 1 July 2014	17,961	4,393	(566)	(213)	6,953	28,528	3,399	31,927
Total comprehensive income/(loss) for the period	-	-	-	1,834	(4,013)	(2,179)	1,103	(1,076)
Balance at 31 March 2015	<u>17,961</u>	<u>4,393</u>	<u>(566)</u>	<u>1,621</u>	<u>2,940</u>	<u>26,349</u>	<u>4,502</u>	<u>30,851</u>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2015 and the accompanying explanatory notes attached to these interim financial statements)

M3 TECHNOLOGIES (ASIA) BERHAD (482772-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**For the Nine (9) months ended 31 March 2016**

	9 months ended	
	31-Mar-16 Unaudited RM'000	31-Mar-15 Unaudited RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	734	(3,015)
Adjustment for :		
Amortisation of product development expenditure	776	1,018
Bad debts recovered	100	77
Bad debts written off	-	4
Depreciation of plant and equipment	953	852
(Gain)/loss on disposal of plant and equipment	-	2
(Gain)/loss on foreign exchange translation - Unrealised	37	275
Interest expense	29	29
Interest income	(8)	(13)
Inventories written off	-	83
Plant and equipment written off	9	61
Provision for doubtful debts	288	614
Share of results in an associate	753	536
Share of results in a jointly controlled entity	-	(11)
Operating profit/(loss) before working capital changes	<u>3,671</u>	<u>512</u>
Changes in working capital :		
(Increase)/Decrease in inventory	(1,751)	2,555
(Increase)/Decrease in receivables	(1,546)	(3,871)
Increase/(Decrease) in payables	<u>8,329</u>	<u>(206)</u>
Cash (used in)/generated from operating activities	<u>8,703</u>	<u>(1,010)</u>
Tax paid	<u>(1,893)</u>	<u>(956)</u>
Net cash (used in)/generated from operating activities	<u><u>6,810</u></u>	<u><u>(1,966)</u></u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	8	13
Purchase of plant and equipment	(802)	(590)
Product development expenditure	<u>(1,306)</u>	<u>(1,378)</u>
Net cash (used in)/generated from investing activities	<u><u>(2,100)</u></u>	<u><u>(1,955)</u></u>
CASH FLOW FROM FINANCING ACTIVITIES		
Interest expense	(29)	(29)
Repayment of loans and borrowings	<u>(108)</u>	<u>(425)</u>
Net cash (used in)/generated from financing activities	<u><u>(137)</u></u>	<u><u>(454)</u></u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	4,573	(4,375)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(389)	1,868
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	<u>3,512</u>	<u>5,657</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u><u>7,696</u></u>	<u><u>3,150</u></u>

The cash and cash equivalents at beginning of year and quarter end represents cash on hand, cash and banks balances.

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 June 2015 and the accompanying explanatory notes attached to these interim financial statements)

M3 TECHNOLOGIES (ASIA) BERHAD (482772-D)
(Incorporated in Malaysia)

Part A - Explanatory Notes Pursuant to MFRS 134

1. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”) 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with International Accounting Standards (“IAS”) 34, *Interim Financial Reporting* issued by the International Accounting Standards Board.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2015. The explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to understanding the changes in the financial position and performance of the Group since the financial year ended 30 June 2015.

2. Significant Accounting Policies

The accounting policies applied by the Group in preparing the condensed consolidated interim financial statements are consistent with those of the audited financial statements of the Group for the financial year ended 30 June 2015. The Group will adopt the following MFRSs, amendments to MFRSs and IC Interpretation when they become effective in the following financial year:

(i) Effective for financial periods beginning on or after 1 July 2015:

- Amendments to MFRS 11 ‘Accounting for Acquisition of Interests in Joint Operations’
- Amendments to MFRS 127 ‘Equity Method in Separate Financial Statements’
- Amendments to MFRS 10 and MFRS 128 ‘Sale or Contribution of Assets between an Investor and its Associate or Joint Venture’
- Annual Improvements to MFRSs 2012-2014
- Amendments to MFRS 10, 12 and 128 ‘Investment Entities – Applying the Consolidation Exception’
- Amendments to MFRS 101 ‘Presentation of Financial Statements – Disclosure Initiative’

3. Seasonal or Cyclical Factors

The business of the Group is not affected by any significant seasonal or cyclical factors.

4. Unusual Items due to their Nature, Size or Incidence

There were no items affecting the assets, liabilities, equity, net income or cash flow of the Group that are unusual because of their nature, size or incidence for the current quarter under review.

5. Changes in Accounting Estimates and Errors

There were no changes in accounting estimates or error that have a material effect in the current quarter under review.

6. Debt and Equity Securities

The Company had on 6 November 2015 issued 11,705,700 new ordinary shares of RM0.10 each at par value and RM0.005 per share as share premium under the private placement.

Saved as disclosed above, there were no issuance, repurchases and repayments of debt and equity securities in the current quarter under review.

7. Dividend Paid

No dividend has been proposed or paid in the current quarter under review.

8. Segmental Information

Segmental information of the results of the Group for the cumulative quarter is as follows:

(i) Geographical Segment

<u>9 months ended</u> <u>31 Mar 16</u>	Malaysia RM'000	Thailand RM'000	Pakistan RM'000	Other Countries RM'000	Eliminations/ Adjustments RM'000	Group RM'000
Revenue	15,936	701	12,301	4,198	(1,125)	32,011
Segment results	(2,552)	(453)	5,101	(842)	254	1,508
Interest (expense)/income	(14)	(3)	-	(4)	-	(21)
Share of results in an Associate	-	-	-	-	(753)	(753)
Profit/(loss) before taxation	(2,566)	(456)	5,101	(846)	(499)	734
Segment assets	12,426	6,847	19,738	(2,865)	16,040	52,186

<u>9 months ended</u> <u>31 Mar 15</u>	Malaysia RM'000	Thailand RM'000	Pakistan RM'000	Other Countries RM'000	Eliminations/ Adjustments RM'000	Group RM'000
Revenue	14,508	1,188	7,119	3,202	(1,254)	24,763
Segment results	(3,212)	(250)	2,611	(1,614)	(9)	(2,474)
Interest income/(expense)	(26)	(3)	-	-	13	(16)
Share of results in a joint venture	-	-	-	-	11	11
Share of results in an Associate	-	-	-	-	(536)	(536)
Profit/(loss) before taxation	(3,238)	(253)	2,611	(1,614)	(521)	(3,015)
Segment assets	49,999	8,046	16,453	17,149	(50,809)	40,838

8. Segmental Information (cont'd)

(ii) Business Segment

<u>9 months ended</u> <u>31 Mar 16</u>	Mobile Solutions RM'000	Trading & Distribution RM'000	Eliminations/ Adjustments RM'000	Group RM'000
Revenue	26,278	6,858	(1,125)	32,011
Segment results	2,174	(920)	254	1,508
Interest income/(expense)	(15)	(6)	-	(21)
Share of results in an associate	-	-	(753)	(753)
Profit/(loss) before taxation	2,159	(926)	(499)	734
Segment assets	33,834	2,312	16,040	52,186

<u>9 months ended</u> <u>31 Dec 15</u>	Mobile Solutions RM'000	Trading & Distribution RM'000	Eliminations/ Adjustments RM'000	Group RM'000
Revenue	16,062	9,955	(1,254)	24,763
Segment results	(1,345)	(1,120)	(9)	(2,474)
Interest income/(expense)	(26)	(3)	13	(16)
Share of results in a joint venture	-	-	11	11
Share of results in an associate	-	-	(536)	(536)
Loss before taxation	(1,371)	(1,123)	(521)	(3,015)
Segment assets	74,150	16,934	(50,246)	40,838

9. Related parties transactions

	Current quarter 3 months ended		Cumulative quarter 9 months ended	
	31-Mar-16 RM'000	31-Mar-15 RM'000	31-Mar-16 RM'000	31-Mar-15 RM'000
Administration fee	8	-	24	-
Sales to an associate	-	29	113	72
	<u>8</u>	<u>29</u>	<u>137</u>	<u>72</u>

The transactions were carried out in the ordinary course of business and are on normal commercial terms

10. Subsequent Events

There was no material event that took place between 1st January 2016 to the seventh day before the date of issuing this report.

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities for the ACE Market

11. Performance Review

Business Segment	Current quarter 3 months ended			Cumulative quarter 9 months ended	
	31-Mar-16	31-Mar-15	31-Dec-15	31-Mar-16	31-Mar-15
	RM'000	RM'000	RM'000	RM'000	RM'000
Mobile Solutions					
Revenue	7,342	6,213	9,516	26,278	16,062
Profit/(loss) before taxation	406	32	784	2,159	(1,371)
% Profit/(loss) before taxation	5.5%	0.5%	8.2%	8.2%	-8.5%
Trading & Distribution					
Revenue	2,836	3,593	1,450	5,733	8,700
Profit/(loss) before taxation	134	(287)	(918)	(926)	(1,123)
% Profit/(loss) before taxation	4.7%	-8.0%	-63.3%	-16.1%	-12.9%
Adjustment					
Profit/(loss) before taxation	24	(334)	(122)	(499)	(521)
Total					
Revenue	10,178	9,807	10,966	32,011	24,763
Profit/(loss) before taxation	564	(588)	(256)	734	(3,015)
% Profit/(loss) before taxation	5.5%	-6.0%	-2.3%	2.3%	-12.2%

Q3-2016 vs. Q3-2015

Group generated total revenue of RM 10.18 million for this quarter ended 31 March 2016 (“Q3-2016”), representing an increase of RM 0.37 million as compared to RM 9.81 million generated in the previous year corresponding quarter ended 31 March 2015 (“Q3-2015”).

The result before tax has been turnaround from loss before taxation of RM 0.59 million in “Q3-2015” to profit before taxation of RM 0.56 million in “Q3-2016”.

Q3-2016 vs. Q2-2016

Comparing to the previous quarter ended 31 December 2015 (“Q2-2016”), the Group’s revenue was decreased RM 0.79 million from RM 10.97 million to RM 10.18 million in “Q3-2016”.

This quarter has generated a profit before taxation of RM 0.56 million as compared to loss before taxation of RM 0.26 million in the previous quarter ended 31 December 2015. The profit generated during this quarter was mainly due to improvements in the trading and distribution businesses where new product lines were introduced. These have been aggressively promoted and sold through with higher profit margins during the quarter under review.

12. Commentary on Prospects

We are confident that several recent collaborative business ventures will have a positive impact in future sales revenue and recurring income. The first of these is the signing of a Memorandum of Understanding with Shenzhen User Display Technologies Company Limited (“USER”), whereby they will promote our GetSnapps platform, along with our i3Displays technology, throughout their entire export market worldwide. Secondly, one of our subsidiaries PT Surya Genta Perkasa has entered into a collaborative venture with Indonesia’s largest mobile operator, Telkomsel. Together they have launched the T-Bike Smart Assistant for motorcycles, which is quickly gaining traction in the market.

i3TeamWorks is our highly functional and in-house developed corporate productivity software suite. It is a Cloud-hosted SaaS (“Software as a Service”) solution. Numerous modules within i3TeamWorks facilitate task management, sales lead management, human resources management, etc., with new modules currently in development that will be launched in a timely manner.

In conjunction with the above new business collaborations and products, we continue to remain highly focused in our core competencies; mobile solutions, trading and distribution. Budgets have been set aside for an intensive marketing campaign to properly introduce all the above to the market. Barring any unforeseen circumstances, it is our belief that the future performance of the group will be positive.

13. Profit Forecast and Profit Guarantee

The Group did not issue any profit forecast or profit guarantee.

14. Taxation

	Current Quarter 3 months ended		Cumulative Quarter 9 months ended	
	31-Mar-16 RM'000	31-Mar-15 RM'000	31-Mar-16 RM'000	31-Mar-15 RM'000
In respect of current period:-				
- Malaysian tax	-	(13)	-	-
- Foreign tax	391	181	1,116	441
	<u>391</u>	<u>168</u>	<u>1,116</u>	<u>441</u>

The effective tax rate for the current quarter was higher than the statutory tax rate mainly due to the losses of certain subsidiaries which cannot be set off against taxable profits made by a subsidiary.

15. Corporate Proposals

Multiple Proposals

The company had on 16 April 2015 proposed the following corporate exercise:

(a) Proposed Right Issue with warrants;

Proposed renounceable rights issue of up to 395,152,428 new ordinary shares of RM0.10 each in M3Tech together with up to 296,364,321 free detachable warrants at an issue price of RM0.10 per Rights Share on the basis of four (4) Rights Shares together with three (3) Warrants for every two (2) existing M3Tech Shares held on an entitlement date to be determined and announced later based on a minimum subscription level of 80,000,000 Rights Shares together with 60,000,000 Warrants.

(b) Proposed Employees Share Option Scheme (“ESOS”)

Proposed establishment of ESOS of up to 30% of the prevailing issued and paid-up share capital of the Company (excluding treasury shares) for the eligible employees (including Directors) of M3Tech and its subsidiaries who meet the criteria of eligibility for participation in the Scheme as set out in the by-laws containing the rules, terms and conditions of the Scheme.

(c) Proposed increase in authorised share capital; and

Proposed increase in the authorised share capital of M3Tech from RM25,000,000 comprising 250,000,000 M3Tech Shares to RM200,000,000 comprising 2,000,000,000 M3Tech Shares.

(d) Proposed M&A amendments

Proposed amendments to the Memorandum and Articles of Association of M3Tech to facilitate the Proposed Increase in Authorised Share Capital and the Proposed ESOS.

On 16 June 2015, we had procured the written Irrevocable Undertakings from certain shareholders of M3Tech to subscribe for up to 80,000,000 Rights Shares together with up to 60,000,000 Warrants pursuant to the Proposed Rights Issue with Warrants.

On 3 July 2015, we had submitted the application to Bursa Malaysia Securities Berhad for :

(i) admission of the Warrants to the Official List of the ACE Market of Bursa Securities; and

(ii) listing of and quotation for the Rights Shares, the Warrants and the new M3Tech Shares to be issued arising from the exercise of the Warrants and Options on the ACE Market of Bursa Securities.

Save and except for Ordinary Resolution 5 which has been withdrawn and not tabled for shareholders' approval at the Extraordinary General Meeting (“EGM”) on 25 November 2015, the above Proposals were duly passed at the EGM.

The Company had 20 January 2016 obtained the approval of extension of time to complete the implementation of the above Multiple Proposals by 16 September 2016.

16. Group Borrowings and Debt Securities

The Group borrowings as at 31 March 2016 and 30 June 2015 are as follows:

	31-Mar-16	30-Jun-15
	RM'000	RM'000
Current		
<u>Secured</u>		
- Term loan	55	58
- Obligations under finance leases	104	102
	<u>159</u>	<u>160</u>
Non-current		
<u>Secured</u>		
- Term loan	431	472
- Obligations under finance leases	50	116
	<u>481</u>	<u>588</u>
Total Group borrowings	<u><u>640</u></u>	<u><u>748</u></u>

The Group did not have any debt securities as at 31 March 2016.

17. Realised and Unrealised Earnings or Losses Disclosure

The retained earnings as at 31 March 2016 and 30 June 2015 are analysed as follows:

	31-Mar-16	30-Jun-15
	RM'000	RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	(11,818)	(12,002)
- Unrealised	(94)	(28)
Total share of retained profits from a joint venture		
- Realised	(218)	(218)
Total share of retained profits from an associate		
- Realised	(1,011)	(258)
Consolidation adjustments	13,411	15,094
Total Group retained earnings as per unaudited consolidated financial statement	<u><u>270</u></u>	<u><u>2,588</u></u>

18. Changes in Material Litigation

As at the seventh (7th) day before the date of issuing this report, the Company was not engaged in any material litigation either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group.

19. Earnings Per Share

The earnings per share was calculated by dividing the Company's profit after taxation and non-controlling interests by the weighted average number of ordinary shares in the respective period as follows:

	Current Quarter		Cumulative Quarter	
	3 months ended	3 months ended	9 months ended	9 months ended
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Profit/(Loss) after tax and non-controlling interests (RM'000)	(316)	(903)	(1,983)	(4,013)
Weighted average number of ordinary shares in issue	194,762,940	177,057,240	188,389,837	177,057,240
<u>Profit/(Loss) Per Share</u>				
Basic Earnings/(Diluted) Sen	(0.16)	(0.51)	(1.05)	(2.27)

20. Derivatives

The Group did not enter into any derivatives during the current quarter under review.

21. Disclosure of gains/losses arising from fair value changes of financial liabilities

The Group did not have any financial liabilities measured at fair value through profit and loss for the current quarter under review.

22. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 30 June 2015 was not qualified.

By order of the Board of Directors

Lim Seng Boon
Director
27 May 2016