

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

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
For the Twelve (12) months ended 30 June 2017

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	30-Jun-17 Unaudited RM'000	30-Jun-16 Unaudited RM'000	30-Jun-17 Unaudited RM'000	30-Jun-16 Unaudited RM'000
Revenue	12,520	9,074	39,162	41,085
Operating Expenses	(16,144)	(10,650)	(41,199)	(41,153)
Profit/(Loss) from Operations	<u>(3,624)</u>	<u>(1,576)</u>	<u>(2,037)</u>	<u>(68)</u>
Net interest income/(expense)	247	(17)	308	(38)
Share of results in an associate	-	(142)	-	(895)
Loss on disposal of investment in an associate	-	(1,065)	-	(1,065)
Profit/(Loss) before taxation	<u>(3,377)</u>	<u>(2,800)</u>	<u>(1,729)</u>	<u>(2,066)</u>
Income tax expense	(496)	(294)	(2,003)	(1,410)
Net Profit/(Loss) for the period	<u><u>(3,873)</u></u>	<u><u>(3,094)</u></u>	<u><u>(3,732)</u></u>	<u><u>(3,476)</u></u>
Other comprehensive income/(loss), net of tax				
Foreign currency translation differences	<u>(524)</u>	<u>582</u>	<u>1,555</u>	<u>(253)</u>
Other comprehensive (loss)/income for the period, net of tax	<u>(524)</u>	<u>582</u>	<u>1,555</u>	<u>(253)</u>
Total comprehensive income/(loss) for the period	<u><u>(4,397)</u></u>	<u><u>(2,512)</u></u>	<u><u>(2,177)</u></u>	<u><u>(3,729)</u></u>
Attributable to:				
Equity holders of the Company	(4,712)	(3,944)	(6,969)	(5,927)
Non-controlling interests	<u>839</u>	<u>850</u>	<u>3,237</u>	<u>2,451</u>
	<u><u>(3,873)</u></u>	<u><u>(3,094)</u></u>	<u><u>(3,732)</u></u>	<u><u>(3,476)</u></u>
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	(4,928)	(3,523)	(5,867)	(6,240)
Non-controlling interests	<u>531</u>	<u>1,011</u>	<u>3,690</u>	<u>2,511</u>
	<u><u>(4,397)</u></u>	<u><u>(2,512)</u></u>	<u><u>(2,177)</u></u>	<u><u>(3,729)</u></u>
Earnings/(loss) per share				
Basic / Diluted (sen)	(0.81)	(2.03)	(1.26)	(3.12)

(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 2016 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 Twelve (12) months ended 30 June 2017

	Current quarter		Cumulative quarter	
	3 months ended		12 months ended	
	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Profit before taxation				
Included in the Profit before tax are the following items:				
Allowance for impairment of receivables	1,179	(190)	1,179	98
Allowance for impairment of joint venture	-	46	-	46
Amortisation of product development expenditure	523	517	1,288	1,293
Bad debts recovered	(318)	(100)	(319)	-
Bad debts written off	169	193	169	193
Deposit and prepayment written off	-	137	-	137
Depreciation of plant and equipment	92	211	902	1,164
Impairment loss on investment in an associate	-	1,065	-	1,065
Investment income - Profit Guarantee	-	(364)	-	(364)
(Gain)/loss on disposal of plant and equipment	-	(95)	(10)	(95)
<u>(Gain)/loss on foreign exchange translation</u>				
- Realised	66	(407)	87	(373)
- Unrealised	713	437	171	474
<u>Interest expense/(income)</u>				
- Interest expense	22	9	52	38
- Interest income	(269)	(4)	(360)	(12)
Inventories written down	1,293	106	1,293	106
Inventories written off	310	658	310	658
Property, plant and equipment written off	484	-	484	9

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

- Exceptional items (Otherwise disclosed)
- Gain/loss on derivatives
- Impairment loss on goodwill
- 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 2016 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 30 June 2017

	30-Jun-17 Unaudited RM'000	30-Jun-16 Audited RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	5,490	3,918
Intangible assets	4,337	4,198
Other investment	2,009	-
Trade and other receivables	149	-
	<u>11,985</u>	<u>8,116</u>
Current Assets		
Inventories	4,828	3,916
Trade and other receivables	30,443	23,757
Amount due from jointly controlled entity	-	64
Tax refundable	1,127	1,137
Cash and bank balances	29,044	6,408
	<u>65,442</u>	<u>35,282</u>
Asset classified as held for sale	-	3,780
TOTAL ASSETS	<u>77,427</u>	<u>47,178</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	62,946	19,732
Share premium	-	4,631
Treasury shares	(566)	(566)
Warrant reserve	9,816	-
Accumulated losses	(20,124)	(3,339)
Foreign currency translation reserve	2,414	1,312
	<u>54,486</u>	<u>21,770</u>
Non-controlling interests	<u>10,373</u>	<u>6,683</u>
Total equity	<u>64,859</u>	<u>28,453</u>
Current Liabilities		
Trade and other payables	11,339	17,900
Loans and borrowings	172	164
Amount due to a director	15	160
Tax payable	-	-
	<u>11,526</u>	<u>18,224</u>
Non-current Liabilities		
Loans and borrowings	971	429
Deferred tax liabilities	63	60
Provision for gratuity	8	12
	<u>1,042</u>	<u>501</u>
Total liabilities	<u>12,568</u>	<u>18,725</u>
TOTAL EQUITY AND LIABILITIES	<u>77,427</u>	<u>47,178</u>
Net assets per share attributable to ordinary equity holders of the parent (sen)	9.33	11.18

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2016 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 Twelve (12) months ended 30 June 2017

	Share Capital	Share Premium	Treasury Shares	Warrant Reserve	Foreign Currency Translation Reserve	Retained Earnings/ (Accumulated Losses)	Total	Non-Controlling Interests	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Twelve (12) months ended 30 June 2017									
Balance at 1 July 2016	19,732	4,631	(566)	-	1,312	(3,339)	21,770	6,683	28,453
Share issuance expenses	-	(370)	-	-	-	-	(370)	-	(370)
Adjustments for effects of Companies Act 2016 (Note a)	4,261	(4,261)	-	-	-	-	-	-	-
Issuance of shares	38,953	-	-	9,816	-	(9,816)	38,953	-	38,953
Total comprehensive income/(loss) for the period	-	-	-	-	1,102	(6,969)	(5,867)	3,690	(2,177)
Balance at 30 June 2017	62,946	-	(566)	9,816	2,414	(20,124)	54,486	10,373	64,859
Twelve (12) months ended 30 June 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	-	-	-	-	(313)	(5,927)	(6,240)	2,511	(3,729)
Dividend paid								(733)	(733)
Balance at 30 June 2016	19,732	4,631	(566)	-	1,312	(3,339)	21,770	6,683	28,453

Note a

With the Companies Act 2016 ("NewAct") coming into effect on 31 January 2017, the credit standing in the share premium account of RM4,261,000 has been transferred to the share capital account. Pursuant to subsection 618(3) of the New Act, the Group may exercise its right to use the credit amount being transferred from share premium account within 24 months after the commencement of the New Act. The Board of Directors will make a decision thereon by 31 January 2019.

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2016 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 Twelve (12) months ended 30 June 2017

	12 months ended	
	30-Jun-17 Unaudited RM'000	30-Jun-16 Unaudited RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	(1,729)	(2,066)
Adjustment for :		
Allowance for impairment of receivables	1,179	98
Allowance for impairment of amount owing from joint venture	-	46
Amortisation of product development expenditure	1,288	1,293
Bad debts recovered	(319)	-
Bad debts written off	169	193
Depreciation of plant and equipment	902	1,164
Deposit and prepayment written off	-	137
(Gain)/loss on disposal of plant and equipment	(10)	(95)
(Gain)/loss on foreign exchange translation - Unrealised	171	474
Impairment loss on investment in associate	-	1,065
Investment income from profit guarantee	-	(364)
Interest expense	52	38
Interest income	(360)	(12)
Inventories write-down	1,293	106
Inventories written off	310	658
Plant and equipment written off	484	9
Provision for gratuity	-	1
Share of results in an associate	-	895
Operating profit before working capital changes	3,430	3,640
Changes in working capital :		
Increase in inventories	(2,515)	(1,519)
Increase in trade and other receivables	(8,035)	(815)
Decrease in amount due from an joint venture	64	(83)
(Decrease)/Increase in trade and other payables	(6,565)	6,244
Decrease in amount due to a Director	(145)	(340)
Cash flows (used in)/generated from operating activities	(13,766)	7,127
Tax paid	(1,990)	(1,783)
Net cash (used in)/generated from operating activities	(15,756)	5,344
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	360	12
Purchase of plant and equipment	(2,948)	(732)
Product development expenditure	(1,427)	(1,756)
Proceed from disposal of investment in an associate	3,780	-
Net cash used in investing activities	(235)	(2,476)
CASH FLOW FROM FINANCING ACTIVITIES		
Interest expense	(52)	(38)
Dividend paid by subsidiaries to non-controlling interests	-	(733)
Issuance of new shares	38,953	1,230
Repayment of loans and borrowings	550	(166)
Net cash generated from/(used in) financing activities	39,451	293
NET CHANGE IN CASH AND CASH EQUIVALENTS	23,460	3,161
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(824)	(265)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	6,408	3,512
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	29,044	6,408

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 2016 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 2016. 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 2016.

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 2016.

The Group has adopted the MFRSs, amendments and interpretations effective for annual period beginning on or after 1 January 2016 where applicable to the Group. The initial adoption of these applicable MFRSs, amendments and interpretations do not have any material impact on the financial statements of the Group.

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 25 August 2016 completed its Rights Issue with Warrants exercise following the admission of the warrants to the Official List and the listing of quotation for 389,525,880 new ordinary shares of RM0.10 each together with 292,144,409 warrants on the ACE Market of Bursa Securities.

Save 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>12 months ended 30 June 17</u>	Malaysia RM'000	Thailand RM'000	Pakistan RM'000	Other Countries RM'000	Eliminations/ Adjustments RM'000	Group RM'000
Revenue	12,892	777	21,277	5,347	(1,131)	39,162
Segment results	(8,439)	(1,078)	10,942	(5,093)	1,631	(2,037)
Interest (expense)/income	(46)	(2)	-	(4)	360	308
Profit/(loss) before taxation	(8,485)	(1,080)	10,942	(5,097)	1,991	(1,729)
Segment assets	55,736	8,379	33,210	31,034	(50,932)	77,427

<u>12 months ended 30 June 16</u>	Malaysia RM'000	Thailand RM'000	Pakistan RM'000	Other Countries RM'000	Eliminations/ Adjustments RM'000	Group RM'000
Revenue	22,221	1,130	16,473	5,284	(4,023)	41,085
Segment results	(29,040)	(771)	7,906	(2,608)	24,445	(68)
Interest (expense)/income	(25)	(4)	-	(9)	-	(38)
Share of results in an associate	-	-	-	-	(895)	(895)
Loss on disposal of investment in an associate	-	-	-	-	(1,065)	(1,065)
Profit/(loss) before taxation	(29,065)	(775)	7,906	(2,617)	22,485	(2,066)
Segment assets	24,207	7,810	22,022	17,648	(24,509)	47,178

8. Segmental Information (cont'd)

(ii) Business Segment

<u>12 months ended</u> <u>30 June 17</u>	Mobile Solutions RM'000	Trading & Distribution RM'000	Eliminations/ Adjustments RM'000	Group RM'000
Revenue	32,001	8,292	(1,131)	39,162
Segment results	4,092	(7,760)	1,631	(2,037)
Interest income/(expense)	(46)	(6)	360	308
Profit/(loss) before taxation	4,046	(7,766)	1,991	(1,729)
Segment assets	104,602	23,757	(50,932)	77,427
<u>12 months ended</u> <u>30 June 16</u>	Mobile Solutions RM'000	Trading & Distribution RM'000	Eliminations/ Adjustments RM'000	Group RM'000
Revenue	33,705	10,541	(3,161)	41,085
Segment results	(18,491)	(6,022)	24,445	(68)
Interest income/(expense)	(25)	(13)	-	(38)
Share of results in an associate	-	-	(895)	(895)
Loss on disposal of investment in an associate			(1,065)	(1,065)
Profit/(loss) before taxation	(18,516)	(6,035)	22,485	(2,066)
Segment assets	54,400	17,287	(24,509)	47,178

9. Related parties transactions

	Current quarter		Cumulative quarter	
	3 months ended		12 months ended	
	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16
	RM'000	RM'000	RM'000	RM'000
Administration fee	-	8	16	32
Sales to a related party	2	-	4	-
Sales to an associate	-	-	-	113
Purchase from a related party	15	-	15	-
	<u>17</u>	<u>8</u>	<u>35</u>	<u>145</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 July 2017 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 12 months ended	
	FY2017-Q4	FY2016-Q4	FY2017-Q3	FY2017-Q4	FY2016-Q4
	30-Jun-17	30-Jun-16	31-Mar-17	30-Jun-17	30-Jun-16
	RM'000	RM'000	RM'000	RM'000	RM'000
Mobile Solutions					
Revenue	9,446	7,427	8,405	32,001	33,705
Profit/(loss) before taxation	29	(20,675)	1,960	4,046	(18,516)
% Profit/(loss) before taxation	0.3%	-278.4%	23.3%	12.6%	-54.9%
Trading & Distribution					
Revenue	3,074	1,647	1,551	7,161	7,380
Profit/(loss) before taxation	(4,976)	(5,109)	(1,211)	(7,766)	(6,035)
% Profit/(loss) before taxation	-161.9%	-310.2%	-78.1%	-108.4%	-81.8%
Adjustment					
Profit/(loss) before taxation	1,570	22,984	68	1,991	22,485
Total					
Revenue	12,520	9,074	9,956	39,162	41,085
Profit/(loss) before taxation	(3,377)	(2,800)	817	(1,729)	(2,066)
% Profit/(loss) before taxation	-27.0%	-30.9%	8.2%	-4.4%	-5.0%

Q4-2017 vs. Q4-2016

The Group generated total revenue of RM12.52 million for this quarter ended 30 June 2017 (“Q4-2017”), representing an increase of RM3.45 million as compared to RM9.07 million generated in the previous year corresponding quarter ended 30 June 2016 (“Q4-2016”).

The loss before taxation for (“Q4-2017”) was RM3.38 million as compared to loss before taxation of RM2.80 million generated in the previous year corresponding quarter ended 30 June 2016 (“Q4-2016”).

Q4-2017 vs. Q3-2017

Compared to the previous quarter ended 31 March 2017 (“Q3-2017”), the Group’s revenue has shown an increase by RM2.56 million, from RM9.96 million to RM12.52 million in (“Q4-2017”).

The loss before taxation for (“Q4-2017”) was RM3.38 million as compared to profit before taxation of RM0.82 million generated in the previous quarter ended 31 March 2017.

The loss incurred for the period included the following material items:

1. Provision of doubtful debt and bad debt written off	RM	1,347,793
2. Inventories written down	RM	1,292,791
3. Inventories written off	RM	310,425
4. Expenses on discontinued project	RM	505,013
5. Provision for bonus (Pakistan)	RM	922,125
		<hr/>
Total	RM	4,378,147
		<hr/> <hr/>

YTD 2017 vs. YTD 2016

The Group generated revenue of RM39.16 million for the 12 months ended 30 June 2017 (“YTD-2017”), representing a decrease of RM1.93 million as compared to RM41.09 million generated for the 12 months ended 30 June 2016 (“YTD-2016”).

Loss before tax for Q1-Q4’2017 (“YTD-2017”) was RM1.73 million as compared to loss before taxation of RM2.07 million for Q1-Q4’2016 (“YTD-2016”). Higher loss in Q1-Q4’2016 (“YTD-2016”) was mainly due to loss in disposal of investment in an associate.

12. Commentary on Prospects

It is unfortunate that prudent write-offs and provisions have clouded what has otherwise been a productive quarter for the Group with increased quarter-on-quarter turnover and revenue.

Overall, in spite of the challenging business environment that we face, we have continued to deploy our i3Display solutions to a growing variety of companies spanning a tremendous array of industries and applications. Notable installations would be Kuala Lumpur International Airport, Istana, and several financial institutions. Demand for displays continues to grow, and the Group is uniquely positioned to take advantage of this as not only are we a supplier of display panels, but we are the developer of the Content Management Platform that controls these displays. As a testament to the richness and effectiveness of our proprietary software, licensing revenue alone contributes significantly to our bottom line.

Vast improvements in sales techniques and culture also contribute strongly to our increased revenue. Carefully selected methodologies have been implemented in all our subsidiaries, and are already beginning to bear fruit. Together with our i3TeamWorks business management platform, we have very clearly defined plans and road maps that increase our level of confidence in achieving our sales goals and targets. We have also carefully strategized an aggressive marketing campaign that will commence deployment throughout our subsidiaries in Q1 of FY 2018.

Perpetual interest also remains for the EZVIZ brand of home and business surveillance cameras, although growth is slightly slower than expected due to soft market conditions, we believe that this business arm will continue to benefit from a steady demand as cameras are becoming much more of a pre-requisite as opposed to an optional item. As such, prospects continue to be strong, provided that the economy in general remains robust.

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 12 months ended	
	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16
	RM'000	RM'000	RM'000	RM'000
In respect of current period:-				
- Malaysian tax	-	-	-	-
- Foreign tax	496	294	2,003	1,410
	<u>496</u>	<u>294</u>	<u>2,003</u>	<u>1,410</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

Utilisation of Proceeds from Corporate Exercises

Multiple Proposals

The Company had on 25 August 2016 completed its Rights Issue with Warrants exercise following the admission of the warrants to the Official List and the listing of and quotation for 389,525,880 new ordinary shares of RM0.10 each together with 292,144,409 warrants on the ACE Market of Bursa Securities.

The utilisation of gross proceeds raised as at 30 June 2017 is as follows:-

Purpose	Proposed utilisation (RM'000)	Actual utilisation (RM'000)	Balance yet to be utilised (RM'000)	Estimated timeframe for utilisation
Purchase of i3Display terminals, screens and parts	8,000	837	7,163	Within 24 months
Purchase of products for distribution within existing and new product range	6,500	6,500	-	Within 24 months
Purchase of smart home solution devices	3,000	-	3,000	Within 24 months
Product/software development expenditure	3,500	3,500	-	Within 24 months
Working capital	17,654	14,293	3,361	Within 24 months
Estimated expenses for the proposals	299	299	-	Within 24 months
Total	38,953	25,429	13,524	

16. Group Borrowings and Debt Securities

The Group borrowings as at 30 June 2017 and 30 June 2016 are as follows:

	30-Jun-17	30-June-16
	RM'000	RM'000
Current		
<u>Secured</u>		
- Term loan	65	62
- Obligations under finance leases	107	102
	<u>172</u>	<u>164</u>
Non-current		
<u>Secured</u>		
- Term loan	340	405
- Obligations under finance leases	631	24
	<u>971</u>	<u>429</u>
Total Group borrowings	<u>1,143</u>	<u>593</u>

The Group did not have any debt securities as at 30 June 2017.

17. Realised and Unrealised Earnings or Losses Disclosure

The retained earnings as at 30 June 2017 and 30 June 2016 are analysed as follows:

	30-Jun-17	30-Jun-16
	RM'000	RM'000
The accumulated losses of the Group		
- Realised	(20,061)	(3,279)
- Unrealised	(63)	(60)
Total Group accumulated losses as per unaudited consolidated financial statement	<u>(20,124)</u>	<u>(3,339)</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 3 months ended		Cumulative Quarter 12 months ended	
	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16
Profit/(Loss) after tax and non-controlling interests (RM'000)	(4,712)	(3,944)	(6,969)	(5,927)
Weighted average number of ordinary shares in issue	584,288,820	194,762,940	551,828,330	189,983,113
<u>Profit/(Loss) Per Share</u>				
Basic Earnings/(Diluted) Sen	(0.81)	(2.03)	(1.26)	(3.12)

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 2016 was not qualified.

By order of the Board of Directors

Lim Seng Boon
Director