

NETX HOLDINGS BERHAD (533441-W)  
(Incorporated in Malaysia)  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER	PRECEDING YEAR QUARTER	CURRENT PERIOD TO DATE	PRECEDING YEAR TO DATE*
	30/06/2015 RM'000	30/06/2014 RM'000	30/06/2015 RM'000	30/06/2014 RM'000
REVENUE	359	1,236	3,581	4,653
COST OF SALES	(405)	(2,607)	(3,577)	(6,109)
GROSS (LOSS)/PROFIT	(46)	(1,371)	4	(1,456)
OTHER INCOME	39	730	116	769
ADMINISTRATION EXPENSES	(9,382)	(2,253)	(10,264)	(3,530)
LOSS FROM OPERATIONS	(9,389)	(2,894)	(10,144)	(4,217)
FINANCE COST	(63)	(57)	(205)	(229)
LOSS BEFORE TAX	(9,452)	(2,951)	(10,349)	(4,446)
INCOME TAX (EXPENSES)/INCOME	(1,379)	789	(1,379)	789
NET LOSS FOR THE PERIOD	(10,831)	(2,162)	(11,728)	(3,657)
OTHER COMPREHENSIVE INCOME	-	390	-	390
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(10,831)	(1,772)	(11,728)	(3,267)
NET LOSS FOR THE PERIOD ATTRIBUTABLE TO:				
OWNERS OF THE PARENT	(10,807)	(2,160)	(11,704)	(3,655)
NON-CONTROLLING INTEREST	(24)	(2)	(24)	(2)
	(10,831)	(2,162)	(11,728)	(3,657)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO:				
OWNERS OF THE PARENT	(10,807)	(1,770)	(11,704)	(3,265)
NON-CONTROLLING INTEREST	(24)	(2)	(24)	(2)
	(10,831)	(1,772)	(11,728)	(3,267)
EARNING PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT :				
Basic (sen)	(1.73)	(0.35)	(1.87)	(0.61)

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial period ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

\* In 2014, the Group changed its financial year end from 31 December to 30 June. Therefore, the immediate preceding financial period which will form the basis for comparative information for the Group's annual financial statements that is 30 June 2015, is a longer 18-month period from 1 January 2013 to 30 June 2014. However, for the purpose of the Group's interim reporting in 2015, comparative information other than for consolidated statement of financial position and consolidated statement of changes in equity, will be reported based on 12-month period from July 2013 to June 2014.

NETX HOLDINGS BERHAD (533441-W)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2015

	AS AT 30 June 2015 Unaudited RM'000	AS AT 30 June 2014 Audited RM'000
<b><u>ASSETS</u></b>		
<b><u>NON-CURRENT ASSETS</u></b>		
PROPERTY, PLANT AND EQUIPMENT	6,200	5,581
DEFERRED TAX ASSETS	1,780	3,159
GOODWILL ON CONSOLIDATION	11,509	19,849
	19,489	28,589
<b><u>CURRENT ASSETS</u></b>		
Inventories	119	1,342
Trade Receivables	868	1,236
Other Receivables, Deposits and Prepayment	960	246
Cash and Bank Balances	2,479	3,357
	4,426	6,181
<b>TOTAL ASSETS</b>	<b>23,915</b>	<b>34,770</b>
<b><u>EQUITIES AND LIABILITIES</u></b>		
<b><u>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</u></b>		
SHARE CAPITAL	62,555	62,555
SHARE PREMIUM	2,599	2,599
ACCUMULATED LOSSES	(46,362)	(34,658)
	18,792	30,496
NON-CONTROLLING INTEREST	(60)	25
<b>TOTAL EQUITY</b>	<b>18,732</b>	<b>30,521</b>
<b><u>NON-CURRENT LIABILITIES</u></b>		
Long Term Borrowing	3,150	3,392
<b><u>CURRENT LIABILITIES</u></b>		
Trade Payables	1,101	421
Other Payables and Accruals	671	160
Amount due to a director	3	-
Short Term Borrowing	258	264
Tax liabilities	-	12
	2,033	857
<b>TOTAL LIABILITIES</b>	<b>5,183</b>	<b>4,249</b>
<b>TOTAL EQUITIES AND LIABILITIES</b>	<b>23,915</b>	<b>34,770</b>
No of ordinary shares ('000)	625,553	625,553
Net Assets per share attributable to owners of the parent (RM)	0.03	0.05

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial period ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015

	ATTRIBUTABLE TO OWNER OF THE PARENT						TOTAL EQUITY RM'000
	SHARE CAPITAL RM'000	DISTRIBUTABLE RESERVE - SHARE PREMIUM RM'000	NON DISTRIBUTABLE RESERVE - OTHERS RESERVES RM'000	DISTRIBUTABLE RESERVE - ACCUMULATED LOSSES RM'000	TOTAL RM'000	NON-CONTROLLING INTEREST RM'000	
<b>12 months period ended 30 June 2015</b>							
Balance as at 1 July 2014	62,555	2,599	-	(34,658)	30,496	25	30,521
Total comprehensive expenses for the financial period	-	-	-	(11,704)	(11,704)	(24)	(11,728)
Contributions by Owners of the Company	-	-	-	-	-	(61)	(61)
- Acquisition of a subsidiary	-	-	-	-	-	-	-
Balance as at 30 June 2015	62,555	2,599	-	(46,362)	18,792	(60)	18,732
<b>18 months period ended 30 June 2014</b>							
Balance as at 1 January 2013	56,875	2,686	(390)	(28,818)	30,353	28	30,381
Net loss for the financial year representing total recognised income and expenses for the period	-	-	-	(5,840)	(5,840)	(3)	(5,843)
Other comprehensive income for the financial period	-	-	390	-	390	-	390
- Foreign currency translation differences	-	-	390	-	390	-	390
Total comprehensive expenses for the financial period	-	-	390	(5,840)	(5,450)	(3)	(5,453)
Contributions by Owners of the Company	-	(87)	-	-	(87)	-	(87)
- Expenses for private placement	5,680	-	-	-	5,680	-	5,680
- Issuance of shares via private payment	5,680	(87)	-	-	5,593	-	5,593
Total transaction with owners of the Company	-	-	-	-	-	-	-
Balance as at 30 June 2014	62,555	2,599	-	(34,658)	30,496	25	30,521

The unaudited Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

**NETX HOLDINGS BERHAD (533441-W)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015**

	<b>CURRENT PERIOD TO DATE 30/06/2015 RM'000</b>	<b>PRECEDING YEAR TO DATE* 30/06/2014 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(10,349)	(4,446)
Adjustments for:		
Depreciation of property, plant and equipment	131	150
Property, plant and equipment written off	-	37
Loss on disposal of plant and equipment	-	9
Interest expense	205	229
Provision of doubtful debts	-	7
Impairment loss on goodwill	9,032	281
Bad debts written off	-	502
Loss on disposal of subsidiaries	-	390
Deposits and prepayment written off	-	707
Impairment of inventories	-	1,143
Inventories written off	85	263
Interest income	(42)	(16)
Written off of sport club fund	(6)	-
<b>Operating loss before working capital changes</b>	<u>(944)</u>	<u>(744)</u>
Decrease/(Increase) in current assets	799	(750)
Increase/(Decrease) in current liabilities	703	(395)
<b>Cash Generated from/(Used in) Operations</b>	<u>558</u>	<u>(1,889)</u>
Tax Paid	(12)	(3)
Interest paid	(205)	(229)
<b>Net Cash Generated from/(Used in) Operating Activities</b>	<u>341</u>	<u>(2,121)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	42	16
Proceeds from disposal of property, plant and equipment	-	6
Acquisition of a subsidiary, net of cash acquired	(285)	-
Purchase of property, plant and equipment	(728)	(4)
<b>Net Cash (Used in) / Generated from Investing Activities</b>	<u>(971)</u>	<u>18</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceed from issuance of shares via private placement (net)	-	5,594
Repayment of bank borrowings	(248)	(243)
Decrease in fixed deposits pledged	-	45
<b>Net Cash (Used in) / Generated from Financing Activities</b>	<u>(248)</u>	<u>5,396</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(878)</u>	<u>3,293</u>
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	<u>3,357</u>	<u>64</u>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<u>2,479</u>	<u>3,357</u>
Cash and cash equivalents at end of period consist of :-		
Cash and bank balances	<u>2,479</u>	<u>3,357</u>

The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the financial period ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

\* In 2014, the Group changed its financial year end from 31 December to 30 June. Therefore, the immediate preceding financial period which will form the basis for comparative information for the Group's annual financial statements that is 30 June 2015, is a longer 18-month period from 1 January 2013 to 30 June 2014. However, for the purpose of the Group's interim reporting in 2015, comparative information other than for consolidated statement of financial position and consolidated statement of changes in equity, will be reported based on 12-month period from July 2013 to June 2014.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015

A. EXPLANATORY NOTES

A 1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 "Interim Financial Reporting" and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the ACE Market.

Paragraph 20 of MFRS 134 requires the comparative statements to be presented from the comparable interim period (current and period-to-date) of immediate preceding financial year. Save for the statement of financial position and statements of change in equity, the comparatives disclosed in these condensed financial statements are for the 12-month period from 1 July 2013 to 30 June 2014, not from the beginning of the preceding financial period of 1 January 2013, as the Group change its financial year from 31 December to 30 June on 10 December 2013.

The report should be read in conjunction with the audited financial statements of the Group for the 18-month period ended 30 June 2014. The explanatory notes attached to the quarterly financial report provide an explanation on events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial period ended 30 June 2014.

The accounting policies and methods of computation adopted by the Group in the quarterly financial report are consistent with those adopted in the audited financial statements of the Group for the financial period ended 30 June 2014. The following MFRS and Amendments to MFRS have been issued by MASB but are not yet effective to the Group:

MFRS and IC Interpretations (Including The Consequential Amendments)		Effective Date
MFRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 16 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 116 and MFRS 141	Agriculture : Bearer Plants	1 January 2016
Amendments to MFRS 127	Equity method in Separate Financial Statements	1 January 2016
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 101	Disclosure Initiative	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 5, MFRS 7, MFRS 119 and MFRS 134	Annual Improvements to MFRSs 2012 - 2014 Cycle	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2017
MFRS 9	Financial Instruments	1 January 2018

The adoption of the MFRSs does not have any significant impact on the interim financial statements of the Group and the Company.

A 2 SEASONAL OR CYCLICAL FACTORS

The business of the Company/Group is not subject to any seasonal or cyclical factors.

A 3 NATURE AND AMOUNT OF EXCEPTIONAL AND/OR EXTRAORDINARY ITEMS

There were no exceptional and/or extraordinary items as at the date of this announcement.

#### A 4 CHANGES IN ESTIMATES

There were no material changes in estimates in respect of amount reported in prior financial period, which have a material effect in the quarter under review.

#### A 5 ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES, SHARE BUYBACKS, SHARE CANCELLATIONS AND

There were no issuances and repayment of debt and equity securities, share buy-backs, share cancellation, shares held as treasury shares or resale of treasury shares for the current financial year ended 30 June 2015.

#### A 6 DIVIDENDS PAID

No dividends were paid during the quarter under review.

#### A 7 SEGMENTAL INFORMATION

The Group's operating segments are classified according to the nature of activities as follow:-

Payment services                      Involved in terminal services.

Non-payment services                Involved in provision of turnkey solutions on the network infrastructure, security management, research and development of software, system design, integration and installation and provision of IT services.

	Payment services RM'000	Non-payment services RM'000	Group RM'000
<b>Revenue</b>	24	3,557	3,581
<b>Results</b>			
Segment operating result	4	(10,264)	(10,260)
Other income			116
Finance costs			(205)
Loss before taxation			(10,349)
Taxation			(1,379)
Loss after taxation			(11,728)
Non-controlling interest			24
Loss attributable to owners of the Company			(11,704)

#### A 8 VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There were no changes in the valuation of property, plant and equipment reported in the previous audited financial statements that will have an impact on the quarter under review.

#### A 9 SIGNIFICANT EVENTS DURING THE CURRENT QUARTER

- (a) On 24 April 2015, the Company announced that it acquired 60,000 ordinary shares of RM1.00 each in Payallz Sdn. Bhd. ("Payallz"), representing 60% equity interest in Payallz, from the vendor, Neurogine Sdn. Bhd., for a cash consideration of RM600,000.00 only. ("The Acquisition")

Payallz was incorporated on 2 February 2012 and its principal business is the recruitment of merchants under a Master Merchant Agreement that agrees to the acceptance of cards as a form of payment for goods and/or services using certified Electronic funds transfer at point of sale or EFTPOS. The authorised share capital of Payallz is RM100,000.00 comprising of 100,000 ordinary shares of RM1.00 each which have been issued

The Acquisition will not have any material effect on Net Asset per share and earnings per share, or the gearing of NetX Group of companies for the financial ending 30 June 2015.

None of the Directors and/or major stakeholders of NetX or persons connected to them have any interest, direct or indirect, in the Acquisition.

## A 9 SIGNIFICANT EVENTS DURING THE CURRENT QUARTER (cont'd)

(b) On 28 April 2015, the Company proposed to undertake the following:

- (i) proposed renounceable rights issue of up to 625,553,033 new ordinary shares of RM0.10 each in NetX ("NetX Shares" or "Shares") ("Rights Shares") on the basis of one (1) Rights Share for every one (1) existing NetX Share held, together with up to 625,553,033 free detachable warrants ("Warrants") on the basis of one (1) Warrant for every one (1) Rights Share subscribed at an entitlement date to be determined later ("Entitlement Date") ("Proposed Rights Issue of Shares with Warrants");
- (ii) proposed establishment of a share issuance scheme ("SIS") of up to thirty percent (30%) of the Company's total issued and paid-up share capital (excluding treasury shares, if any) at any one time during the duration of the SIS for the eligible employees of NetX and its subsidiaries ("NetX Group" or "Group") (excluding dormant subsidiaries) ("Proposed SIS"); and
- (iii) proposed increase in the authorised share capital of NetX from RM70,000,000 comprising 700,000,000 NetX Shares to RM500,000,000 comprising 5,000,000,000 NetX Shares ("Proposed Increase in Authorised Share Capital").

(c) On 5 June 2015, the Company has submitted the additional listing application for the Proposals, which was announced on 28 April 2015, has been submitted to Bursa Securities on 5 June 2015.

(d) On 1 July 2015, the Company announced that it had on 30 June 2015 disposed 8 inactive subsidiary companies to Regular Accomplishment Sdn. Bhd. ("RASB") for a total cash consideration of RM8. The name and equity interest of companies were detailed in note A10 (b) below.

RASB is a special purpose vehicle used solely for the purpose of acquiring the inactive subsidiary companies of NetX. Its authorised and issued and paid up share capital are RM100,000 and RM65,000 comprising of 100,000 and 65,000 ordinary shares of RM1.00 each respectively. The directors of RASB are Chan Kwong Choy and Ong Tee Peng and the shareholders are Chang Kwong Choy (88.46%) and Chang Yew @ Chem Yew (11.54%) respectively.

## A 10 CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the quarter under review except for the following:

(a) On 24 April 2015, the Company completed the acquisition of 60,000 ordinary shares of RM1.00 each in Payallz Sdn Bhd ("Payallz"), representing 60% equity stake in Payallz, from the vendor, Neurogine Sdn Bhd, for a cash consideration amount of RM600,000.00 only ("Acquisition").

Payallz is principally engaged in the business of recruitment of merchants to agree to the acceptance of cards as a form of payment of goods and/or services using its Point-of-Sales terminals.

(b) On 1 July 2015, NETX announced that the Company had on 30 June 2015 entered into a Sale and Purchase agreement with Regular Accomplishment Sdn Bhd for the disposal of NETX's entire equity stake of the following inactive subsidiary companies:-

Name of companies	Equity Interest (%)	Cash Consideration Amount (RM)
Ariantec Green Power Sdn. Bhd.	100	1
Ariantec Green R & D Sdn. Bhd.	100	1
Ariantec Systems Sdn. Bhd.	100	1
Ariantec Consulting Sdn. Bhd.	100	1
Ariantec NOC Sdn. Bhd.	100	1
Global Green Energy Sdn. Bhd.	100	1
Global Soft (Pg) Sdn. Bhd.	75	1
Global Soft International Sdn. Bhd.	60	1

The disposal was completed on 30 June 2015 and the gain on disposal of these subsidiaries of RM8 only is included in the loss for the quarter.

The legal transfer of the 8 disposed subsidiaries is in progress.

## A 11 CONTINGENT LIABILITIES

There were no contingent liabilities as at the date of this report.

**A 12 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM REPORTING PERIOD**

There were no material events subsequent to the end of this report.

**A 13 CAPITAL COMMITMENTS**

There were no material capital commitments incurred or known to be incurred by the Group, which may have a substantial impact on the financial position of the Group.

**A 14 RELATED PARTY TRANSACTIONS**

There were no significant transactions with related parties during the current quarter and financial period.



## B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

### B 1 REVIEW OF PERFORMANCE OF COMPANY/GROUP

The Group's revenue decreased by approximately 55% or RM 0.438 million from RM0.797 million in the previous quarter to RM0.359 million for the quarter under review. The reason for the decrease of this revenue is due to the weaker demand for traditional network infrastructure equipment and management's decision to reduce the dependency on the traditional network infrastructure business as business margin have eroded over the years for hardware business and the threat of obsolescence increases with the advent of cloud based network infrastructure. The Group recorded a loss after taxation ("LAT") for the current quarter of RM10.831 million compared to LAT of RM0.268 million in the previous quarter. The significant LAT increase from the previous quarter is mainly due to the impairment of goodwill RM9.032 million consolidation and deferred tax expenses in the financial period under review.

For the financial period-to-date, the Group recorded revenue RM3.581 million as compared to RM4.653 million for the preceding period ended 30 June 2014. This represents a decrease of approximately 23% or RM1.072 million. The decrease in revenue is attributed to mainly to lesser sales orders placed by end customers compared to the period ended 30 June 2014, as well as the management decision to clearing all network infrastructure stock in hand and downsizing the hardware based network infrastructure business.

The LAT for the financial period-to-date is RM11.728 million compared to LAT RM3.657 million for the preceding periods ended 30 June 2014, an increase of approximately 220.7% or RM8.071 million LAT. The increase in the LAT were largely attributed to the impairment of goodwill on consolidation and deferred tax expenses in the financial period.

### B 2 COMPARISON WITH THE PRECEDING QUARTER'S RESULT

The Group's revenue decreased by approximately 55% of RM0.438 million from RM0.797 million as compared to previous quarter to RM0.359 million for the quarter under review. The Group recorded a loss before taxation ("LBT") for the current quarter of RM9.452 million compared to LBT RM0.268 million in the previous quarter which represent an increase of 3,426.9% or RM9.184 million. LAT for the current quarter stood at RM10.831 as compared to the preceding quarter of LAT RM0.268 million, an increase of 3,941.4% or RM10.563 million due to goodwill impairment and deferred tax expenses.

	Current Quarter	Preceding Quarter	Difference	
	Ended 30.06.2015 (Unaudited) RM'000	Ended 31.03.2015 (Unaudited) RM'000	RM'000	%
Revenue	359	797	(438)	(55.0)
Loss before tax	(9,452)	(268)	(9,184)	3426.9
LAT	(10,831)	(268)	(10,563)	3941.4

### B 3 CURRENT YEAR PROSPECTS

The directors and management of the Group will pursue to create more business ventures, upgrade technical skills to overcome the unstable market condition in order to propel future growth and achieve a solid revenue base for the Group.

The directors anticipate that the Group will deliver a reasonable performance despite the challenging economic condition for the financial year ending 30 June 2015.

### B4 LOSS BEFORE TAX

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Quarter Ended	Preceding Year* Corresponding Quarter Ended
	30/06/2015 RM'000	30/06/2014 RM'000	30/06/2015 RM'000	30/06/2014 RM'000
Loss before tax is stated after charging/(crediting) :-				
Depreciation of P.P.E.	37	34	131	150
Loss on disposal of P.P.E	-	-	-	9
Property, plant and equipment written off	-	-	-	37
Equipment rental	3	4	13	22
Interest expense	63	57	205	229
Interest income	(11)	(17)	(42)	(16)
Rental income	(21)	(13)	(67)	(20)
Impairment of goodwill on consolidation	9,032	281	9,032	281
Impairment of inventories	-	1,143	-	1,143
Inventories written off	85	263	85	263
Provision of doubtful debts	-	7	-	7
Loss on disposal of subsidiary	-	390	-	390
Bad debts written off	-	502	-	502

**B4 LOSS BEFORE TAX (cont'd)**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Quarter Ended	Preceding Year* Corresponding Quarter Ended
	30/06/2015 RM'000	30/06/2014 RM'000	30/06/2015 RM'000	30/06/2014 RM'000
Deposits and prepayment written off	-	707	-	707
Bad debt recovered	-	(700)	-	(700)
Written off of sport club fund	(6)	-	(6)	-

\* In 2014, the Group changed its financial year end from 31 December to 30 June. Therefore, the immediate preceding financial period which will form the basis for comparative information for the Group's annual financial statements that is 30 June 2015, is a longer 18-month period from 1 January 2013 to 30 June 2014. However, for the purpose of the Group's interim reporting in 2015, comparative information other than for consolidated statement of financial position, will be reported based on 12-month period from July 2013 to June 2014.

**B 5 PROFIT FORECAST / PROFIT GUARANTEE**

The Group did not issue any profit forecast/profit guarantee for the financial period to-date.

**B 6 TAXATION**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Quarter Ended	Preceding Year Corresponding Quarter Ended
	30/06/2015 RM'000	30/06/2014 RM'000	30/06/2015 RM'000	30/06/2014 RM'000
Current period				
- Income taxation	-	(33)	-	(33)
- Deferred taxation	1,379	(756)	1,379	(756)
Total	<u>1,379</u>	<u>(789)</u>	<u>1,379</u>	<u>(789)</u>

**B 7 DISCLOSURE OF REALISED AND UNREALISED PROFIT/(LOSSES)**

Total accumulated losses of the Company and its subsidiaries :-

	As at 30.06.2015 Unaudited RM'000	As at 30.06.2014 Audited RM'000
- Realised	(48,142)	(37,817)
- Unrealised	1,780	3,159
Total group accumulated losses as per consolidated accounts	<u>(46,362)</u>	<u>(34,658)</u>

**B 8 A) STATUS OF CORPORATE PROPOSALS**

The corporate proposals announced as disclosed in Note A9 have not been completed as at the date of issue of these financial statements.

**B) STATUS OF UTILISATION OF PROCEEDS RAISED FROM PRIVATE PLACEMENT**

Following the completion of private placement exercise on 18 November 2013, the following are the status of utilisation of the proceeds in the quarter under review:-

Purpose	Proposed Utilisation	Actual Utilisation	Balance	Intended Timeframe for Utilisation
	RM'000	RM'000	RM'000	
-Working capital	3,380	3,309	71	Within 24 months
-Future projects funding	2,200	1,500	700	Within 24 months
-Estimated expenses in relation to proposed private placement	100	100	-	Within 1 month
	<u>5,680</u>	<u>4,909</u>	<u>771</u>	

The Board has on 11 February 2015 approved the utilisation of the proceeds derived from Private Placement to be extended to another 12 months period from 18 November 2014.

**B 9 GROUP BORROWINGS AND DEBT SECURITIES**

	As at 30.06.2015 Unaudited RM'000	As at 30.06.2014 Audited RM'000
<b>Short term borrowing</b>		
Secured	<u>258</u>	<u>264</u>
<b>Long term borrowing</b>		
Secured	<u>3,150</u>	<u>3,392</u>

**B 10 MATERIAL LITIGATION**

There was no material litigation during the current quarter under review.

**B11 DIVIDEND PAYABLE**

No dividend was declared or paid in the current quarter under review.

**B 12 EARNINGS PER SHARE**

Earnings per share was calculated based on net loss for the period and the weighted average number of shares in issue during the financial period.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER 30/06/15	PRECEDING YEAR QUARTER 30/06/14	CURRENT PERIOD TO DATE 30/06/15	PRECEDING YEAR TO DATE* 30/06/14
Net loss attributable to owners of the parent (RM)	<u>(10,807,000)</u>	<u>(2,160,000)</u>	<u>(11,704,000)</u>	<u>(3,655,000)</u>
Weighted average number of ordinary shares	<u>625,553,033</u>	<u>625,553,033</u>	<u>625,553,033</u>	<u>603,611,115</u>
Basic loss per share (sen)	<u>(1.73)</u>	<u>(0.35)</u>	<u>(1.87)</u>	<u>(0.61)</u>
Weighted average number of ordinary shares	625,553,033	625,553,033	625,553,033	603,611,115
Effect of dilution	-	-	-	-
Adjusted weighted average number of ordinary shares in issue and issuable	<u>625,553,033</u>	<u>625,553,033</u>	<u>625,553,033</u>	<u>603,611,115</u>
Diluted loss per share (sen)	<u>(1.73)</u>	<u>(0.35)</u>	<u>(1.87)</u>	<u>(0.61)</u>

\* In 2014, the Group changed its financial year end from 31 December to 30 June. Therefore, the immediate preceding financial period which will form the basis for comparative information for the Group's annual financial statements that is 30 June 2015, is a longer 18-month period from 1 January 2013 to 30 June 2014. However, for the purpose of the Group's interim reporting in 2015, comparative information other than for consolidated statement of financial position and consolidated statement of changes in equity, will be reported based on 12-month period from July 2013 to June 2014.

**B 13 AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS**

The preceding period's audited financial statements of the Group were not subject to any qualification.

**B 14 AUTHORISATION FOR ISSUE**

The interim financial statements are authorised for issue by the Board of Directors in accordance with a resolution of the directors on 20 August 2015.