

NETX HOLDINGS BERHAD (533441-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2015**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER	PRECEDING YEAR QUARTER	CURRENT PERIOD TO DATE	PRECEDING YEAR TO DATE
	31/12/2015 RM'000	31/12/2014 RM'000	31/12/2015 RM'000	31/12/2014 RM'000
REVENUE	4,873	1,184	5,913	2,425
COST OF SALES	(1,780)	(1,150)	(2,027)	(2,355)
GROSS PROFIT	3,093	34	3,886	70
OTHER INCOME	202	24	248	50
ADMINISTRATION EXPENSES	(452)	(320)	(805)	(653)
OTHER OPERATING EXPENSES	(26)	(1)	(26)	(1)
PROFIT/(LOSS) FROM OPERATIONS	2,817	(263)	3,303	(534)
FINANCE COST	(55)	(47)	(100)	(95)
PROFIT/(LOSS) BEFORE TAX	2,762	(310)	3,203	(629)
INCOME TAX EXPENSES	0	0	-	-
NET PROFIT/(LOSS) FOR THE PERIOD	2,762	(310)	3,203	(629)
OTHER COMPREHENSIVE INCOME	0	0	-	-
TOTAL COMPREHENSIVE PROFIT/(LOSS) FOR THE PERIOD	2,762	(310)	3,203	(629)
NET PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO:				
OWNERS OF THE COMPANY	2,771	(310)	3,207	(629)
NON-CONTROLLING INTEREST	(9)	-	(4)	-
	2,762	(310)	3,203	(629)
TOTAL COMPREHENSIVE PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO:				
OWNERS OF THE PARENT	2,771	(310)	3,207	(629)
NON-CONTROLLING INTEREST	(9)	-	(4)	-
	2,762	(310)	3,203	(629)
EARNING PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY :				
Basic (sen)	0.44	(0.05)	0.51	(0.10)

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements.

NETX HOLDINGS BERHAD (533441-W)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**AS AT 31 DECEMBER 2015**

	AS AT 31 December 2015 Unaudited RM'000	AS AT 30 June 2015 Audited RM'000
<u>ASSETS</u>		
<u>NON-CURRENT ASSETS</u>		
Property, Plant and Equipment	5,699	5,701
Deferred Tax Asset	2,296	2,296
Goodwill on Consolidation	10,780	10,780
	<u>18,775</u>	<u>18,777</u>
<u>CURRENT ASSETS</u>		
Inventories	490	618
Trade Receivables	3,435	869
Other Receivables, Deposits and Prepayment	1,054	960
Cash and Bank Balances	3,676	2,479
	<u>8,655</u>	<u>4,926</u>
TOTAL ASSETS	<u><u>27,430</u></u>	<u><u>23,703</u></u>
<u>EQUITIES AND LIABILITIES</u>		
<u>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</u>		
Share Capital	62,555	62,555
Share Premium	2,599	2,599
Accumulated Losses	(43,368)	(46,575)
	<u>21,786</u>	<u>18,579</u>
Non-Controlling Interest	(64)	(60)
TOTAL EQUITY	<u>21,722</u>	<u>18,519</u>
<u>NON-CURRENT LIABILITIES</u>		
Long Term Borrowing	3,016	3,150
	<u>3,016</u>	<u>3,150</u>
<u>CURRENT LIABILITIES</u>		
Trade Payables	910	1,101
Other Payables and Accruals	338	630
Provision for warranty	1,170	-
Deferred Income	5	42
Amount due to a director	3	3
Short Term Borrowing	266	258
	<u>2,692</u>	<u>2,034</u>
TOTAL LIABILITIES	5,708	5,184
TOTAL EQUITIES AND LIABILITIES	<u><u>27,430</u></u>	<u><u>23,703</u></u>
Net Assets per share attributable to owners of the Company (RM)	0.03	0.03

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements.

NETX HOLDINGS BERHAD (533441-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2015**

	←——— ATTRIBUTABLE TO OWNER OF THE PARENT ———→			TOTAL RM'000	NON CONTROLLING INTEREST RM'000	TOTAL EQUITY RM'000
	SHARE CAPITAL RM'000	NON DISTRIBUTABLE RESERVE - SHARE PREMIUM RM'000	DISTRIBUTABLE RESERVE - ACCUMULATED LOSSES RM'000			
Balance as at 1 July 2015	62,555	2,599	(46,575)	18,579	(60)	18,519
Net profit for the financial period representing total comprehensive expenses for the period	-	-	3,207	3,207	(4)	3,203
Balance as at 31 December 2015	62,555	2,599	(43,368)	21,786	(64)	21,722
Balance as at 1 July 2014	62,555	2,599	(34,658)	30,496	25	30,521
Net loss for the financial period representing total comprehensive expenses for the period	-	-	(629)	(629)	-	(629)
Balance as at 31 December 2014	62,555	2,599	(35,287)	29,867	25	29,892

The unaudited Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 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 31 DECEMBER 2015**

	CURRENT PERIOD TO DATE 31/12/2015 RM'000	PRECEDING YEAR TO DATE 31/12/2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	3,203	(629)
Adjustment for:		
Depreciation of property, plant and equipment	85	62
Amortisation of deferred income	(37)	-
Provision for warranty	1,170	-
Bad debts written off	26	-
Property, plant and equipment written off	-	1
Loss/(Gain) on disposal of plant and equipment	-	-
Unrealised foreign exchange gain	(163)	-
Interest expense	100	95
Interest income	(12)	(23)
Operating profit/(loss) before working capital changes	4,372	(494)
Increase in current assets	(2,453)	(536)
Decrease in current liabilities	(483)	141
Cash Used in Operations	1,436	(889)
Tax Paid	-	(12)
Interest paid	(100)	(95)
Net Cash Used in Operating Activities	1,336	(996)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	12	23
Purchase of property, plant and equipment	(74)	(2)
Net Cash (Used in) / Generated from Investing Activities	(62)	21
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of term loans	(126)	(130)
Net Cash Used in Financing Activities	(126)	(130)
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,148	(1,105)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	2,479	3,357
UNREALISED FOREIGN EXCHANGE GAIN	49	-
CASH AND CASH EQUIVALENTS CARRIED FORWARD	3,676	2,252
Cash and cash equivalents at end of period consist of :-		
Cash and bank balances	3,676	2,252

The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 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.

The report should be read in conjunction with the audited financial statements of the Group for year ended 30 June 2015. 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 year ended 30 June 2015.

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 2015. 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
Annual Improvements to MFRSs 2012 - 2014 Cycle	1 January 2016
MFRS 14 Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 116 Clarification of Acceptable Methods of Depreciation and Amortisation and MFRS 138	1 January 2016
Amendments to MFRS 11 Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 116 Agriculture : Bearer Plants and MFRS 141	1 January 2016
Amendments to MFRS 127 Equity method in Separate Financial Statements	1 January 2016
Amendments to MFRS 10 Sale or Contribution of Assets between an Investor and its Associate and MFRS 128	1 January 2016
Amendments to MFRS 101 Disclosure Initiative	1 January 2016
Amendments to MFRS 10, Investment Entities: Applying the Consolidation Exception MFRS 12 and MFRS 128	1 January 2016
Amendments to MFRS 5, Annual Improvements to MFRSs 2012 - 2014 Cycle MFRS 7 and MFRS 134	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 operations of the Group are not subject to any seasonal or cyclical factors.

A 3 UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 31 December 2015.

A 4 CHANGES IN ESTIMATES

There were no changes in estimates that have had any material effect on the financial period under review.

A 5 DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period ended 31 December 2015.

A 6 DIVIDENDS PAID

No dividends were paid during the financial period 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, intergration and installation and provision of IT services.

	Individual Quarter		Cumulative Quarter	
	Ended	Ended	Ended	Ended
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Payment services	32	-	113	-
Non-payment services	4,857	1,184	5,848	2,425
	<u>4,889</u>	<u>1,184</u>	<u>5,961</u>	<u>2,425</u>
Eliminations	(16)	-	(48)	-
Group revenue	<u>4,873</u>	<u>1,184</u>	<u>5,913</u>	<u>2,425</u>
Segment Results				
Payment services	(65)	-	(29)	-
Non-payment services	2,827	(310)	3,232	(629)
Profit before taxation	<u>2,762</u>	<u>(310)</u>	<u>3,203</u>	<u>(629)</u>

A 8 VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There were no valuation undertaken for property, plant and equipment.

A 9 CHANGES IN THE COMPOSITION OF THE GROUP

On 18 November 2015, the wholly-owned subsidiary, Ariantec Sdn. Bhd., has incorporated a wholly owned subsidiary in Republic of Seychelles, NetX Digital Limited (“NDL”), with paid up share capital of USD10,000 divided into 10,000 shares of USD1.00 each. The principal activity of NDL is trading of information technology related hardware and software equipment.

There were no other changes in the composition of the Group during the financial period under review.

A 10 CONTINGENT LIABILITIES

There were no material contingent liabilities not provided for as at the date of this report.

A 11 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM REPORTING PERIOD

There were no material events subsequent to the end of the interim reporting period other than the corporate exercise as disclosed in Note B8 (A).

A 12 CAPITAL COMMITMENTS

The Group does not have material capital commitments at the balance sheet date.

A 13 RELATED PARTY TRANSACTIONS

There were no significant transactions with related parties during the financial period under review.

B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B 1 PERFORMANCE REVIEW

For the current quarter ended 31 December 2015, the Group's revenue increased by approximately 311% from RM1.18 million in the corresponding quarter in the previous year to RM4.87 million for the current quarter. The Group recorded a profit before taxation for the current quarter of RM2.8 million compared to loss before tax of RM0.31 million in the the corresponding quarter in the previous year. The increase in profit before tax was mainly due to higher revenue and higher gross profit margin achieved in current quarter of 63% against 3% for the corresponding quarter in the previous year, mainly due to provision of product warranties and assurances to the customers.

The Group's revenue for period ended 31 December 2015 increased by approximately 144% from RM2.43 million in the previous year todate to RM5.91 million for the current year todate. The Group recorded a profit before taxation for the current year todate of RM3.2 million compared to loss before tax of RM0.63 million in the previous year todate. The increase in profit before tax was mainly due to higher revenue and higher gross profit margin achieved in current year of 66% against 3% for the previous year, mainly due to provision of product warranties and assurances to the customers.

B 2 COMMENT ON MATERIAL CHANGE IN PERFORMANCE COMPARED WITH PRECEDING QUARTER

	Current Quarter Ended 31.12.2015 RM'000	Preceding Quarter Ended 30.09.2015 RM'000
Revenue	4,873	1,040
Profit before tax	<u>2,762</u>	<u>441</u>

The Group's revenue increased by approximately 368% from RM1.04 million in the previous quarter to RM4.87 million in the current quarter. The profit before taxation has increased by 526% from RM0.44 million in the previous quarter to RM2.76 million in the current quarter mainly due to higher revenue achieved in the current quarter.

B 3 CURRENT YEAR PROSPECTS

The directors and management of the Group is pursuing business ventures, recruit 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 2016.

B4 PROFIT / (LOSS) BEFORE TAX

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 31/12/2015 RM'000	Preceding Year Corresponding Quarter Ended 31/12/2014 RM'000	Current Quarter Ended 31/12/2015 RM'000	Preceding Year Corresponding Quarter Ended 31/12/2014 RM'000
Profit/(Loss) before tax is stated after charging/(crediting) :-				
Depreciation of Property, plant and equipment	42	31	85	62
Bad debts written off	26	-	26	-
Property, plant and equipment written off	-	1	-	1
Provision of warranty	972	-	1,170	-
Interest expense	55	47	100	95
Unrealised foreign exchange gain	(163)	-	(163)	-
Interest income	(4)	(11)	(12)	(23)
Rental income	(34)	(13)	(69)	(27)

B 5 PROFIT FORECAST OR PROFIT GUARANTEE

There is no profit forecast and profit guarantee provided by the Company.

B 6 TAXATION

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Quarter Ended	Preceding Year Corresponding Quarter Ended
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
	RM'000	RM'000	RM'000	RM'000
Current period				
- Income taxation	-	-	-	-
- Deferred taxation	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Malaysian income tax is calculated at the statutory tax rate of 24% (2015: 25%) of the estimated taxable profit for the financial period.

The effective tax rate of the Group for the financial period were lower than the statutory tax rate principally due to unabsorbed losses brought forward.

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

	As at 31.12.2015 Unaudited RM'000	As at 30.06.2015 Audited RM'000
Total accumulated losses:		
- Realised	(45,664)	(48,871)
- Unrealised	<u>2,296</u>	<u>2,296</u>
Total accumulated losses as per consolidated statement of financial position	<u>(43,368)</u>	<u>(46,575)</u>

B 8 STATUS OF CORPORATE PROPOSALS

A) PROPOSED PAR VALUE DEDUCTION, RIGHT ISSUE WITH WARRANTS AND SHARE ISSUANCE SCHEME

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

- Proposed renounceable rights issue of up to 625,553,033 new ordinary shares of RM0.10 each in NetX on the basis of one (1) rights share for every one (1) existing share held, together with up to 625,553,033 free detachable warrants on the basis of one (1) warrant for every one (1) rights share subscribed at an entitlement date to be determined later (“**Original Proposed Rights Issue of Shares with Warrants**”);
- 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
- Proposed increase in the authorised share capital of NetX from RM70,000,000 comprising 700,000,000 ordinary shares of RM0.10 each in NetX to RM500,000,000 comprising 5,000,000,000 ordinary shares of RM0.10 each in NetX.

On 5 June 2015, the Company has submitted the additional listing application for the above-mentioned Proposals to Bursa Securities.

B 8 STATUS OF CORPORATE PROPOSALS (CONT'D)

A) PROPOSED PAR VALUE DEDUCTION, RIGHT ISSUE WITH WARRANTS AND SHARE ISSUANCE SCHEME

On 28 August 2015, the Company announced that Bursa Securities approved (the "Approval") for the followings:

- (i) Admission to the Official List and the listing of and quotation for up to 625,553,033 warrants to be issued pursuant to the Original Proposed Rights Issue of Shares with Warrants;
- (ii) Listing of up to 625,553,033 new ordinary shares of RM0.10 each in NetX to be issued pursuant to Original Proposed Rights Issue of Shares with Warrants;
- (iii) Listing of up to 625,553,033 new ordinary shares of RM0.10 each in NetX to be issued pursuant to the exercise of the Warrants;
- (iv) Listing of such number of new ordinary shares of RM0.10 each in NetX representing up to 30% of the total issued and paid-up share capital of NetX (excluding treasury shares, if any) during the duration of the SIS to be issued and allotted pursuant to the Proposed SIS.

on the Ace Market of Bursa Securities.

On 13 October 2015, the Company proposed to reduce the par value of the issued and paid-up share capital of NetX as part of the proposals to be carried out. As such, the earlier proposals as announced on 28 April 2015 will be revised as follows:

- (i) Proposed reduction of the issued and paid up share capital of NetX via the cancellation of RM0.05 of the par value of the ordinary shares of RM0.10 each in NetX to RM0.05 each in NetX ("**NetX Shares**" or "**Shares**") pursuant to Section 64 of the Companies Act, 1965 ("Act") "**Proposed Par Value Reduction**")
- (ii) Proposed renounceable rights issue of up to 625,553,033 new NetX shares ("**Rights Shares**") on the basis of one (1) Rights Share for every one (1) existing NetX Share held after the Proposed Par Value Reduction, 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**");
- (iii) Proposed SIS: and
- (iv) Proposed increase in the authorised share capital of NetX from RM70,000,000 comprising 700,000,000 ordinary shares of RM0.10 each in NexX to RM250,000,000 comprising 5,000,000,000 NetX Shares ("**Proposed Increase in Authorised Share Capital**").

(Collectively referred to as the "**Proposals**")

On 22 October 2015, the Company announced that the additional listing application for the Proposals has been submitted to Bursa Securities.

On 21 December 2015, the Company announced that Bursa Securities has approved the following:

- (i) The maximum number of shares arising from the revised Proposed Rights Issue of Shares with Warrants remains the same as the Original Proposed Rights Issue of Shares with Warrants;
- (ii) The maximum number of warrants arising from the revised Proposed Rights Issue of Shares with Warrants remains the same as in the Original Proposed Rights Issue of Shares with Warrants;
- (iii) The basis of entitlement under the revised Proposed Rights Issue of Shares with Warrants remains unchanged from the basis in the entitlement in the Original Proposed Rights Issue of Shares with Warrants i.e., one (1) Rights Share with one (1) Warrant for every ordinary share held;
- (iv) The total gross proceeds to be raised has been reduced from RM6,000,000 in the Original Proposed Rights Issue of Shares with Warrants to RM4,500,000 in the revised Proposed Rights Issue of Shares with Warrants;

The utilisation of the proceeds remains the same, except that the amount to be allocated for each of the utilisation (with the exception of estimated expenses in relation to the Proposals, which remains the same) will be reduced accordingly, concurrent with the reduction in the total proceeds to be raised; and

The minimum issue price of the rights shares pursuant to the Original Proposed Rights Issue of Shares with Warrants and the revised Proposed Rights Issue of Shares with Warrants is RM0.10 and RM0.05, respectively as a result of the Proposed Par Value Reduction.

B 8 STATUS OF CORPORATE PROPOSALS (CONT'D)

A) PROPOSED PAR VALUE DEDUCTION, RIGHT ISSUE WITH WARRANTS AND SHARE ISSUANCE SCHEME

In view of the above:

- (i) the Approval is applicable to the revised Proposed Rights Issue of Shares with Warrants;
- (ii) NetX must complete the implementation of the revised Proposed Rights Issue of Shares with Warrants within six (6) months from the date of the letter dated 17 December 2015;
- (iii) NetX must issue the circular relating to the revised Proposed Rights Issue of Shares with Warrants within fourteen (14) market date from the date of the letter dated 17 December 2015.

On 21 January 2016, the shareholders have at the Extraordinary General Meeting (EGM) approved the Proposals.

As at the date of this report, the Company is pending Court's approval for the Proposed Par Value Reduction.

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

<u>Purpose</u>	<u>Proposed Utilisation</u>	<u>Actual Utilisation</u>	<u>Unutilised Proceeds</u>	<u>Deviation</u>	<u>Intended Timeframe for Utilisation</u>
	RM'000	RM'000	RM'000	RM'000	
-Working capital	3,380	4,080	-	700	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>5,680</u>	<u>-</u>	<u>-</u>	

The Board has on 20 November 2015 approved the balance of the proceeds from Private Placement for future projects funding to

B 9 GROUP BORROWINGS AND DEBT SECURITIES

	As at 31/12/2015 Unaudited RM'000	As at 30.06.2015 Audited RM'000
Short term borrowing		
Secured	<u>266</u>	<u>258</u>
Long term borrowing		
Secured	<u>3,016</u>	<u>3,150</u>

B10 DIVIDEND PAYABLE

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

B 11 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit/(loss) attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period. The basic earnings per share was calculated as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER 30/09/15	PRECEDING YEAR QUARTER 30/09/14	CURRENT PERIOD TO DATE 30/09/15	PRECEDING YEAR TO DATE 30/09/14
Net profit/(loss) attributable to owners of the parent (RM)	<u>2,771,000</u>	<u>(310,000)</u>	<u>3,207,000</u>	<u>(629,000)</u>
Weighted average number of ordinary shares	<u>625,553,033</u>	<u>625,553,033</u>	<u>625,553,033</u>	<u>625,553,033</u>
Basic profit/(loss) per share (sen)	<u>0.44</u>	<u>(0.05)</u>	<u>0.51</u>	<u>(0.10)</u>

(b) Diluted

The diluted profit/(loss) per share of the Group has not been presented as there are no dilutive potential ordinary share during the financial period.

B 12 AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 30 June 2015 was qualified in respect of the remaining goodwill for non-electronic payment services. The carrying amount of the cash-generating unit, non-electronic payment services, inclusive of goodwill as of the year end exceeded its recoverable amount. The details of the qualification has been announced on 29 October 2015.

The directors and management of the Group is pursuing more business ventures to improve the performance of the Group in order to justify the carrying amount of the remaining goodwill.

B 13 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 18 February 2016.