



SKH CONSORTIUM BERHAD

SKH CONSORTIUM BERHAD

(Formerly Known As The Media Shoppe Berhad)

(Company No. 383028-D)

(Incorporated in Malaysia)

Year 2016

Quarterly Announcement

For The Quarter Ended 31 March 2016

SKH CONSORTIUM BERHAD
(Formerly Known As The Media Shoppe Berhad)
(Company No. 383028-D)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2016

	INDIVIDUAL QUARTER CURRENT QUARTER ENDED 31 March 2016 (Unaudited) RM'000	CUMULATIVE PERIOD 15 MONTHS ENDED 31 March 2016 (Unaudited) RM'000
Revenue	37,492	197,654
Direct costs	(32,699)	(177,573)
Gross profit	<u>4,793</u>	<u>20,081</u>
Other income	250	1,036
	<u>5,043</u>	<u>21,117</u>
Operating expenses	(15,686)	(40,502)
Finance costs	(4)	(34)
Loss before taxation	<u>(10,647)</u>	<u>(19,419)</u>
Income tax expense	(314)	(1,314)
Loss after taxation	<u>(10,961)</u>	<u>(20,733)</u>
Other comprehensive expenses, net of tax	-	- *
Total comprehensive expenses	<u>(10,961)</u>	<u>(20,733)</u>
Loss after taxation attributable to:-		
Owners of the Company	(10,950)	(20,566)
Non-controlling interests	(11)	(167)
	<u>(10,961)</u>	<u>(20,733)</u>
Total comprehensive expenses attributable to:		
Owners of the Company	(10,950)	(20,566)
Non-controlling interests	(11)	(167)
	<u>(10,961)</u>	<u>(20,733)</u>
Loss per share (LPS) (in sen)		
Basic LPS	(1.99)	(4.29)
Diluted LPS	N/A	N/A

Note:-

* - Amount less than RM1,000

- (i) Due to the change in the Company financial year end from 31 December to 31 March in the current financial period, there were no comparative financial information available for the preceding year corresponding quarter and 15 months financial period ended 31 March 2016.
- (ii) The Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

SKH CONSORTIUM BERHAD
(Formerly Known As The Media Shoppe Berhad)
(Company No. 383028-D)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016

	<u>(UNAUDITED)</u>	<u>(AUDITED)</u>
	As at 31 March 2016 RM'000	As at 31 December 2014 RM'000
ASSETS:		
Non-Current Assets:		
Property and equipment	9,054	14,180
Other investments	199	250
Other intangible assets	893	650
Investment property	1,430	-
Lease receivable	116	175
Goodwill on consolidation	5,764	7,184
	<u>17,456</u>	<u>22,439</u>
Current Assets:		
Inventories	17,733	18,671
Trade and other receivables	25,961	26,235
Lease receivable	48	45
Tax refundable	120	146
Short-term investments	13,371	15,280
Deposits with licensed banks	-	1,918
Cash and bank balances	13,706	18,050
	<u>70,939</u>	<u>80,345</u>
Asset held for sale	1,198	-
TOTAL ASSETS	<u>89,593</u>	<u>102,784</u>
EQUITY AND LIABILITIES:		
EQUITY		
Share capital	55,444	87,018
Reserves	9,082	(14,491)
Total equity attributable to owners of the Company	64,526	72,527
Non-controlling interests	(111)	628
TOTAL EQUITY	<u>64,415</u>	<u>73,155</u>
Non-Current Liabilities:		
Hire purchase payables	115	326
Deferred tax liabilities	30	30
	<u>145</u>	<u>356</u>
Current Liabilities:		
Trade and other payables	24,991	26,823
Short-term borrowings	25	2,303
Provision for taxation	17	147
	<u>25,033</u>	<u>29,273</u>
TOTAL LIABILITIES	<u>25,178</u>	<u>29,629</u>
TOTAL EQUITY AND LIABILITIES	<u>89,593</u>	<u>102,784</u>
Net assets per share (sen)	11.64	8.33

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

SKH CONSORTIUM BERHAD
(Formerly Known As The Media Shoppe Berhad)
(Company No. 383028-D)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FIFTEEN (15) MONTHS ENDED 31 MARCH 2016

	(UNAUDITED) CURRENT PERIOD-TO-DATE 15 MONTHS ENDED 31 March 2016 RM'000
CASH FLOW FOR OPERATING ACTIVITIES	
Loss before taxation	(19,419)
Adjustments for non-cash items:	
Amortisation of intangible assets	526
Bad debts written off	6
Depreciation of property and equipment	2,537
Depreciation of investment property	47
Equipment written off	-
Impairment of equipment	4,362
Impairment losses on goodwill on consolidation	1,420
Impairment losses on receivables	4,208
Impairment of intangible assets	1,431
Interest expense	34
Loss on disposal of subsidiaries	195
Share-based payment arising from ESOS	1,200
Gain on disposal of club membership	(41)
Interest income	(685)
Negative goodwill	(2)
Reversal of impairment losses on receivables	(36)
Unrealised gain on foreign exchange	(18)
Operating loss before changes in working capital	(4,235)
Net change in inventories	938
Net change in trade & other receivables	(5,004)
Net change in trade & other payables	103
Cash flow for operations	(8,198)
Income tax paid	(1,540)
Income tax refund	122
Interest paid	(34)
Net cash for operating activities	(9,650)
CASH FLOWS FOR INVESTING ACTIVITIES	
Interest received	685
Proceeds from disposal of club membership	92
Repayment from lease receivable	56
Disposal of subsidiaries, net of cash	(1,088)
Purchase of property and equipment	(4,822)
Net withdrawal of deposits pledged to licensed banks	1,038
Additional investment in a subsidiary	(1,020)
Purchase of intangible assets	(2,200)
Net cash inflow on acquisition of a subsidiary	3
Net cash for investing activities	(7,256)
CASH FLOWS FROM FINANCING ACTIVITIES	
Net drawdown of hire purchase payables	77
Repayment of bankers' acceptance	(2,253)
Proceeds from exercise of ESOS	11,750
Proceeds from conversion of warrants	185
Net cash from financing activities	9,759
NET CHANGE IN CASH AND CASH EQUIVALENTS	(7,147)
EFFECT OF FOREIGN EXCHANGE TRANSLATION	14
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	34,210
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	27,077

Note:-

* - Amount less than RM1,000

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

Note 1

Cash and Cash Equivalents at End of the Financial Period comprised:

	31 March 2016 RM'000
Short-term investments	13,371
Cash and bank balances	13,706
	27,077

SKH CONSORTIUM BERHAD
(Formerly Known As The Media Shoppe Berhad)
(Company No. 383028-D)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIFTEEN (15) MONTHS ENDED 31 MARCH 2016**

	Non-Distributable			Distributable			Total
	Share Premium	Warrant Reserve	Foreign Exchange Translation Reserve	Employees Share Option Reserve ("ESOS")	(Accumulated Losses)/ Retained Profit	Attributable To Owners of the Company	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
15 months ended 31 March 2016							
Balance as at 1 January 2015	87,018	4,055	10,146	*	1,200	(29,892)	72,527
Transactions with owners of the Company:-							
Acquisition of additional interest in a subsidiary	-	-	-	-	(570)	(570)	(570)
Employees' share option lapsed	-	-	-	(1,225)	1,225	-	-
Share option granted under ESOS	-	-	-	1,200	-	1,200	1,200
Share capital reduction	(43,509)	-	-	-	43,509	-	-
Exercise of ESOS	11,750	1,175	-	(1,175)	-	11,750	11,750
Conversion of warrants	185	-	-	-	-	185	185
Reclassification of warrants reserve upon conversion of warrants	-	94	(94)	-	-	-	-
Total transactions with owners	(31,574)	1,269	(94)	(1,200)	44,164	12,565	(450)
Loss after taxation for the 15 months ended 31 March 2016	-	-	-	-	(20,566)	(20,566)	(167)
Other comprehensive expenses for the 15 months ended 31 March 2016 - Foreign currency translation	-	-	-	*	-	-	*
Total comprehensive expenses for the 15 months ended 31 March 2016	-	-	-	*	(20,566)	(20,566)	(167)
Disposal of subsidiaries	-	-	-	*	-	-	(122)
Balance as at 31 March 2016	55,444	5,324	10,052	-	(6,294)	64,526	(111)

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

SKH CONSORTIUM BERHAD (“SKH” or “the Company”)

(Formerly Known As The Media Shoppe Berhad)

(Company No. 383028-D)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2016

Part A

Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (“MFRS”)

134 Interim Financial Reporting

A1. Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”), IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board and Paragraph 9.22 of the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of the Company and its subsidiaries (“the Group”) for the financial year ended 31 December 2014. The explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2014.

A2. Comparative Figures

The Group and the Company changed its financial year end from 31 December to 31 March. The first financial statements that made up to 31 March was for a 15-month period ended 31 March 2016. There are no comparative figures presented for the current quarter under review and cumulative period ended in the current quarter in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, Condensed Consolidated Statement of Changes in Equity and Condensed Consolidated Statement of Cash Flow as there are no comparable interim periods in the immediate preceding financial period. Comparative figures for the interim periods will be available in the quarterly reports for the financial year ending 31 March 2018 onwards.

Part A

Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (“MFRS”) **134 Interim Financial Reporting (Cont’d)**

A3. Changes in Accounting Policies

The significant accounting policies and methods of computation applied in the interim financial statements are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2014.

The adoption of the following accounting standards and interpretations (including the consequential amendments) that came into effect on or after 1 January 2015 is expected to have no material impact on the unaudited condensed consolidated financial statements upon their initial application.

MFRSs and/or IC Interpretations (Including the Consequential Amendments):-

- MFRS 9: Financial Instruments (IFRS 9 issued by IASB in July 2014)
- MFRS 15: Revenue from Contracts with Customers
- Amendments to MFRS 10 and MFRS 128 (2011): Sale or Contribution of Assets between an investor and its Associate or Joint Venture
- Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations
- Amendments to MFRS 10, MFRS 12 and MFRS 128 (2011): Investment Entities - Applying the Consolidation Exception
- Amendments to MFRS 101: Presentation of Financial Statements - Disclosure Initiative
- Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to MFRS 116 and MFRS 141: Agriculture - Bearer Plants
- Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements
- Annual Improvements to MFRSs 2012 - 2014 Cycle

A4. Change of Company Name

On 26 January 2016, the Company changed its name from The Media Shoppe Berhad to SKH Consortium Berhad.

A5. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the audited financial statements for the financial year ended 31 December 2014 was not qualified.

A6. Seasonality or Cyclicity of Operations

The Group’s operations are not materially affected by any seasonal or cyclical factors.

A7. Unusual Items

There are no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial period under review that were unusual because of their nature, size or incidence.

Part A

Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting (Cont’d)

A8. Material Changes in Estimates

There were no material changes in estimates during the current financial period under review.

A9. Issuances, Repurchases, and Repayments of Debt and Equity Securities

On 12 June 2015, the Company announced the offer of options to eligible persons to subscribe for new ordinary shares of RM0.10 each in the Company (“Options”) under the Employees’ Share Option Scheme (“ESOS”) of the Company. The number of Options offered was 120,000,000 at an exercise price of RM0.10 each.

The following shares have been issued and listed on the ACE Market of Bursa Securities on the following dates as a result of the exercise of Options:-

Date	No. of shares
22 September 2015	41,500,000
25 September 2015	18,500,000
12 October 2015	15,000,000
13 October 2015	11,500,000
16 October 2015	3,000,000
21 October 2015	2,500,000
2 November 2015	15,500,000
16 February 2016	10,000,000
Total	117,500,000

The following shares have been issued and listed on the ACE Market of Bursa Securities on the following dates as a result of the conversion of warrants into ordinary shares:-

Date	No. of shares
18 September 2015	86,800
23 September 2015	1,763,500
Total	1,850,300

Save for the disclosure above, there were no issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares since the last annual reporting date.

A10. Dividends Paid

There were no dividends paid during the current financial period under review.

Part A

Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting (Cont’d)

A11. Operating Segment Information

The Group business segments comprise the following:-

- (i) Information Technology (“IT”) and Information Communication Technology (“ICT”) division - Research and development, system network support, IT system and integration services, trading in IT related products (hardware, software and accessories), electronic commerce provider and facilitator, software development and support services and others (“IT and ICT Division”); and
- (ii) Property construction and its related business (“Construction Division”).

Segmental information is provided based on business segments, as follows:

	IT and ICT Division RM'000	Construction Division RM'000	The Group RM'000
Current quarter ended 31 March 2016			
Revenue			
External revenue	33,090	4,402	37,492
Results			
Segment results	56	614	670
Interest income	156	-	156
Amortisation of intangible assets	(67)	-	(67)
Depreciation of property and equipment	(492)	(3)	(495)
Depreciation of investment property	(47)	-	(47)
Impairment of equipment	(4,362)	-	(4,362)
Impairment of goodwill on consolidation	(1,420)	-	(1,420)
Impairment losses on receivables	(4,115)	-	(4,115)
Impairment of intangible assets	(900)	-	(900)
Interest expense	(4)	-	(4)
Loss on disposal of a subsidiary	(63)	-	(63)
Consolidated (loss)/profit before taxation	(11,258)	611	(10,647)
Income tax expense	(314)	-	(314)
Consolidated (loss)/profit after taxation	(11,572)	611	(10,961)
Assets			
Segment assets/Consolidated total assets	68,294	21,299	89,593
Liabilities			
Segment liabilities/Consolidated total liabilities	24,841	337	25,178

The Group operates principally in Malaysia.

Part A

**Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (“MFRS”)
134 Interim Financial Reporting (Cont’d)**

A12. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the current quarter up to 18 May 2016, being the last practicable date from the date of the issue of this report that are expected to have an operational or financial impact on the Group.

A13. Changes in the Composition of the Group

Save for the below, there were no other changes in the composition of the Group during the current financial period under review.

On 30 March 2016, the Company had entered into a Share Sale Agreement with Aboutsafety Dotcom Sdn Bhd (“ADSB”) for the disposal of 100% equity interests in TMS Software Sdn Bhd (“TSSB”) which comprises 500,000 ordinary shares of RM1.00 each to ADSB for a total cash consideration of RM300,000. In consequence thereof, TSSB has ceased to be a subsidiary of the Company.

A14. Changes in Contingent Liabilities and Contingent Assets since the Last Annual Balance Sheet Date

Since the last annual balance sheet date, there were no material changes in contingent liabilities and contingent assets for the Group as at 18 May 2016 (the latest practicable date not earlier than seven (7) days from the date of issue of this report).

A15. Capital Commitments

There were no capital commitments as at 18 May 2016 (the latest practicable date not earlier than seven (7) days from the date of issue of this report).

Part A

Explanatory Notes Pursuant To Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting (Cont'd)

A16. Related Party Transactions

The Group's related party transactions in the current quarter and the cumulative period-to-date ended 31.3.2016 are as follows:

	Current quarter RM'000	Cumulative period-to-date RM'000
Professional services rendered by a company in which a director is a common director and has substantial financial interest	5	41
Rental of office premises charged by a company in which a director is a common director and has substantial financial interest	33	78
Outsourcing fee charged by a related party	-	50
Administrative expenses charged to a related party	-	16
Staff secondment fee charged to a related party	-	228
Key management personnel:-		
- salaries and allowances	143	659
- defined contribution plans	17	82
- others	- *	1
- fee	63	222

Note:-

* - Amount less than RM1,000

A17. Changes in Fair Value of Financial Assets and Financial Liabilities, Transfers and Classifications

There have been no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities in the current financial period under review.

Part B

Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements

B1. Detailed Analysis of Overall Performance

	Individual Quarter	Cumulative Period
	31.3.2016 RM'000	31.3.2016 RM'000
Revenue:-		
IT and ICT Division	33,090	188,712
Construction Division	4,402	8,942
	37,492	197,654
(Loss)/Profit before taxation (“(LBT)/PBT”):-		
IT and ICT division	(11,258)	(17,628)
Construction Division	611	(1,791)
	(10,647)	(19,419)

IT and ICT Division

It has been a tough time for the Group for the cumulative period of 15 months under review due to our change in financial year end. In rendering IT systems and integration services, amongst others, the Group has been facing challenges from the constant changing customers' requirements as a result of changing business and reporting environment (e.g. compliance with the GST), integration between modules and customers' existing applications as well as turnaround of expert staff. Whilst, in the retail industry, the challenges such as reduced consumers' spending in IT and ICT products which arose from consumer sentiments over the rising cost of living and current economic conditions and the increased competitiveness in this industry have affected the Group adversely. Nevertheless, the Group will continue to work hard to counter these issues by thinking of measures to attract customers while managing and cutting down operational costs.

The revenue generated from IT and ICT division during the current quarter and cumulative period under review was mainly derived from the sales of IT and ICT products i.e. Do-It-Yourself (“DIY”) products (customers' self-built-up owned products), accessories and gadgets. The LBT for the current quarter and cumulative period under review was mainly due to the impairment of computer hardware and software of RM4.4 million, impairment of goodwill on consolidation of RM1.4 million, impairment of intangible assets of RM0.9 million (current quarter) or RM1.4 million (cumulative period) and impairment losses of trade receivables of RM4.1 million. Having assessed the current business and economic conditions, the impairments of the above assets have been made due principally to the economic benefits expected to be derived from the above assets were lesser than their carrying values. This housekeeping process will put the Group in a better position overall for the future.

Construction Division

The Group had at the same time diversified into the construction industry during the cumulative period under review to mitigate our over reliance on the competitive ICT industry.

Revenue recognised in the current quarter mainly attributable to work performed on the infra-structural works for a project in Batu Pahat which amounting to RM4.0 million. The PBT in the current quarter under review was mainly due to the profit derived from the project as mentioned above.

The revenue in the cumulative period ended 31 March 2016 was mainly attributable to the billings for earthwork and levelling and infra-structural works for a project in Kemaman and Batu Pahat, respectively. The LBT for the cumulative period under review was mainly due to pre-construction expenses incurred.

Part B

Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

B2. Comments on Material Changes in the Loss Before Taxation for the Quarter Reported as Compared with the Preceding Quarter

	Current quarter ended 31.3.2016 RM'000	Previous quarter ended 31.12.2015 RM'000
Revenue:-		
IT and ICT Division	33,090	34,682
Construction Division	4,402	4,361
	37,492	39,043
LBT:-		
IT and ICT Division	(11,258)	(1,569)
Construction Division	611	(2,383)
	(10,647)	(3,952)

IT and ICT Division

There was no material movement in revenue. The increased in LBT as compared to the previous quarter was mainly due to the impairment of assets as mentioned in B1 above.

Construction Division

As explained in B1, the revenue in the current quarter was mainly attributable to the billings for infra-structural works and the PBT in the current quarter was mainly derived from this project.

B3. Commentary on Prospects

The Group strives for better performance by continue looking at areas of growth in the business segments as well as strengthening the Group's position in the market. The Group will also from time to time look for more opportunities and when appropriate, implement the necessary changes which include diversify its income stream.

Currently the Group derives most of its revenue from the IT and ICT division and the Group's historical financial performance has not been favourable. Considering the increasingly competitive market in the ICT industry, the Group has diversified its business to include the property construction and its related business. The property construction and its related business are expected to provide additional streams of revenue to reduce the Group's dependency on IT and ICT segment and would contribute positively to the Group's future earnings and improve the financial position of the Group.

Management expects that the overall outlook for the Group's performance for the next financial year will be challenging due to the uncertainties in the current economic and political conditions.

Part B

Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

B4. Variance between Actual Profit and Forecast Profit or Profit Guarantee

There were no profit forecast or profit guarantee made public for the current financial period under review.

B5. Tax Expense

The tax expense is as follows:

	Current Quarter RM'000	Current Year-To-Date RM'000
Current tax expense:		
- For the current financial period	(314)	(1,316)
- Overprovision in the previous financial year	-	2
	<u>(314)</u>	<u>(1,314)</u>

B6. Status of Corporate Proposals

There were no corporate proposals as at 18 May 2016 (the latest practicable date not earlier than seven (7) days from the date of issue of this report) pending for completion.

Part B**Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)****B7. Utilisation of Proceeds**Rights Issue with Warrants

On 19 January 2012, Hong Leong Investment Bank Berhad on behalf of TMS announced that the Rights Issue with Warrants has been completed following the listing of and quotation for 312,631,700 Rights Shares together with 234,473,775 Warrants on the ACE Market of Bursa Securities.

Purposes	Proposed Utilisation	Actual Utilisation As At 31.3.2016	Revised Timeframe for Utilisation	Deviation		Explanation
	RM'000	RM'000		RM'000	%	
Working capital requirements	9,004	9,004	Within 48 months ⁽ⁱ⁾	-	-	
Expansion of existing business	9,782	9,782	Within 24 months ⁽ⁱ⁾	-	-	
Working capital requirements for the projects in Kemaman	5,000	288	Within 18 months ⁽ⁱⁱ⁾	4,712	94.2	N1
Future projects in the property industry	7,000	3,500	Within 24 months ⁽ⁱⁱ⁾	3,500	50.0	N1
Estimated expenses in relation to the Rights Issue with Warrants	477	477	Within 1 month ⁽ⁱ⁾	-	-	
Total	31,263	19,263				

N1 Pending utilisation

- (i) The timeframe was computed from the Right Issue completion date, i.e. 19 January 2012.
- (ii) The timeframe is computed from the date of shareholders' approval on the redeployment of this part of proceeds i.e. 19 January 2016.

Part B

Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

B8. Details of Group Borrowings and Debt Securities

The Group's interest-bearing borrowing as at the end of the reporting period are as follows:

	As at 31.3.2016 RM'000
Current – unsecured	
Hire purchase payable - payable within 12 months	25
Non-current – unsecured	
Hire purchase payable - payable after 12 months	115
	<hr/>
	140
	<hr/>

B9. Gains and Losses arising from Fair Value Changes of Financial Liabilities

No gains or losses were recognised for changes in fair values of financial liabilities during the quarter under review.

B10. Dividends

No interim dividend has been declared or proposed for the current financial period under review.

B11. Loss per Share

The basic loss per share was calculated by dividing the loss after taxation attributable to the owners of the Company by the weighted average number of ordinary shares in issue in the respective period as follows:

	Individual Quarter Current Quarter Ended 31.3.2016	Cumulative Period Current Period-to-date Ended 31.3.2016
Loss after taxation attributable to the owners of the Company (RM'000)	(10,950)	(20,566)
Weighted average number of ordinary shares in issue	549,386,800	479,097,675
Basic loss per share (sen)	(1.99)	(4.29)
Diluted loss per share	N/A	N/A
	<hr/>	<hr/>

Part B

Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements (Cont'd)

B12. Notes to the Statement of Profit or Loss and Other Comprehensive Income

	Current quarter 31/3/2016 RM000	Current Period-to-date 31/3/2016 RM000
Interest income	156	685
Other income	15	69
Interest expense	4	34
Depreciation of property and equipment	495	2,537
Depreciation of investment property	47	47
Amortisation of intangible assets	67	526
Impairment losses on receivables	4,115	4,208
Impairment of goodwill on consolidation	1,420	1,420
Impairment of equipment	4,362	4,362
Impairment of intangible assets	900	1,431
Reversal of impairment losses on receivables	-	36
Provision for and write off of inventories	N/A	N/A
Gain or loss on disposal of quoted or unquoted investments or properties	N/A	N/A
Unrealised gain on foreign exchange	15	18
Realised loss on foreign exchange	2	3
Gain or loss on derivatives	N/A	N/A
Exceptional items	N/A	N/A

B13. Disclosure of Realised and Unrealised Profit or Losses

Pursuant to the directive dated 25 March 2010 issued by Bursa Securities, the breakdown of the accumulated losses can be analysed as follows:

	As at 31.3.2016 RM'000	As at 31.12.2014 RM'000
Total accumulated losses of the Group:		
- realised	(25,140)	(35,015)
- unrealised	-	-
	(25,140)	(35,015)
Less: Consolidation Adjustments	18,846	5,123
	(6,294)	(29,892)

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No. 1 "*Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*", issued by the Malaysian Institute of Accountants on 20 December 2010.

B14. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 25 May 2016.