

**Unaudited Condensed Consolidated Statement of Comprehensive Income
For the Second Quarter ended 31 December 2016**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 31/12/2016 Unaudited RM'000	Preceding Year Quarter 31/12/2015 (Note 1) RM'000	Current Year To Date 31/12/2016 Unaudited RM'000	Preceding Year To Date 31/12/2015 (Note 2) RM'000
Revenue	185	731	756	-
Cost of sales	(20)	(790)	(630)	-
Gross (loss)/profit	165	(59)	126	-
Other income	-	-	-	-
Administrative expenses	(722)	(975)	(1,411)	-
Amortisation of intangible assets	-	(7)	-	-
Other operating expenses	-	-	-	-
Finance costs	-	(2)	-	-
Loss before tax	(557)	(1,043)	(1,285)	-
Tax expense	-	-	-	-
Net loss for the period	(557)	(1,043)	(1,285)	-
Loss attributable to :				
Owners of the parent	(540)	(932)	(1,247)	-
Non-controlling interests	(17)	(111)	(38)	-
	(557)	(1,043)	(1,285)	-
Total comprehensive expense attributable to :				
Owners of the parent	(540)	(932)	(1,247)	-
Non-controlling interests	(17)	(111)	(38)	-
	(557)	(1,043)	(1,285)	-
Basic loss per ordinary share attributable to Owners of the parent (sen)	(0.18)	(0.31)	(0.42)	-
Diluted loss per ordinary share (sen)	#	(0.24)	#	-

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of Vsolar Group Berhad ("Vsolar" or "Company") for the financial period ended 30 June 2016)

Note:

- The preceding year corresponding quarter relates to the period from 1 October 2015 to 31 December 2015.
- There are no comparative figures for the preceding year cumulative quarter as the Company has changed its financial year end from 31 December to 30 June. The first set of financial statements with the new financial year will be for 18 months period ended 30 June 2016.

The diluted loss per ordinary share for the Group for the current period 3 months period ended 31 December and current period 6 months to date is not presented as the warrants would be anti-dilutive.

**Unaudited Condensed Consolidated Statement of Financial Position
For the Second Quarter ended 31 December 2016**

	Unaudited As at 31/12/2016 RM'000	Audited As at 30/06/2016 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	11,901	1,485
Work in progress	-	10,758
	<u>11,901</u>	<u>12,243</u>
CURRENT ASSETS		
Trade and other receivables	1,011	754
Cash and bank balances	1,400	3,401
	<u>2,411</u>	<u>4,155</u>
TOTAL ASSETS	<u>14,312</u>	<u>16,398</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	33,352	33,352
Share premium	7,609	7,609
Warrant reserve	4,042	4,042
Accumulated losses	(31,399)	(30,152)
	<u>13,604</u>	<u>14,851</u>
Non-controlling interests	(356)	(318)
Total equity	<u>13,248</u>	<u>14,533</u>
CURRENT LIABILITIES		
Trade and other payables	650	1,307
Loans & borrowings	112	200
	<u>762</u>	<u>1,507</u>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	31	13
Loans & borrowings	271	345
	<u>302</u>	<u>358</u>
Total Liabilities	<u>1,064</u>	<u>1,865</u>
TOTAL EQUITY AND LIABILITIES	<u>14,312</u>	<u>16,398</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE PARENT (SEN)		
	<u>4.08</u>	<u>4.45</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of Vsolar for the financial period ended 30 June 2016)

VSOLAR GROUP BERHAD [631995-T]

UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2016

Statement of Changes in Equity**For the Second Quarter ended 31 December 2016**

(The figures have not been audited)

	ATTRIBUTABLE TO OWNERS OF THE PARENT							
	NON-DISTRIBUTABLE							
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	WARRANT RESERVE RM'000	ESOS RESERVE RM'000	ACCUMULATED LOSSES RM'000	TOTAL RM'000	NON- CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000
At 1 July 2016	33,352	7,609	4,042	-	(30,152)	14,851	(318)	14,533
Total comprehensive expense	-	-	-	-	(1,247)	(1,247)	(38)	(1,285)
At 31 December 2016	33,352	7,609	4,042	-	(31,399)	13,604	(356)	13,248
At 1 January 2015	28,187	5,339	5,125	-	(22,175)	16,476	(173)	16,303
Total comprehensive expense	-	-	-	-	(7,977)	(7,977)	(145)	(8,122)
Warrants conversion	2,165	433	-	-	-	2,598	-	2,598
Issuance of Shares	-	1,083	(1,083)	-	-	-	-	-
Share-based payments under ESOS	-	-	-	754	-	754	-	754
Employees' Share Option Scheme ("ESOS")	3,000	754	-	(754)	-	3,000	-	3,000
At 30 June 2016	33,352	7,609	4,042	-	(30,152)	14,851	(318)	14,533

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of Vsolar for the financial period ended 30 June 2016)

Unaudited Condensed Consolidated Statement of Cash Flows
For the Second Quarter ended 31 December 2016

	6 months ended	
	31/12/2016	Preceding Year
	Unaudited	To Date (Note 1)
	RM'000	RM'000
Cash flows from operating activities		
Loss before taxation	(1,285)	-
Adjustments :		
Depreciation	379	-
Operating loss before working capital changes	<u>(906)</u>	-
Increase in receivables	(257)	-
Decrease in payables	<u>(601)</u>	-
Cash used in operations	<u>(1,764)</u>	-
Net cash used in operating activities	<u>(1,764)</u>	-
Cash flows from investing activities		
Purchase of property, plant and equipment	<u>(37)</u>	-
Net cash used in investing activities	<u>(37)</u>	-
Net increase in cash and cash equivalents	(1,801)	-
Cash and cash equivalents at beginning of period	2,962	-
Cash and cash equivalents at end of period #	<u><u>1,161</u></u>	<u><u>-</u></u>
<i># Represented by:</i>		
Cash and bank balances	1,400	-
Less : Fixed deposits pledged as securities	<u>(239)</u>	-
	<u><u>1,161</u></u>	<u><u>-</u></u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of Vsolar for the financial period ended 30 June 2016)

Note:

1. There are no comparative figures for the preceding year cumulative quarter as the Company has changed its financial year end from 31 December to 30 June. The first set of financial statements with the new financial year will be for 18 months period ended 30 June 2016.

NOTES TO THE INTERIM FINANCIAL REPORT
PART A - EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134 ("MFRS 134") INTERIM FINANCIAL REPORTING
A1. Basis of preparation
Standards that have been issued but are not yet effective

At the date of authorisation of the Condensed Report, the following Standards were issued but not yet effective and have not been adopted by the Group:

MFRSs / Amendments to MFRSs	Effective for annual periods beginning on or after
MFRS 14 - Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 10 Consolidated Financial Statements - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced
Amendments to MFRS 10 Consolidated Financial Statements - Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 11 Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 12 Disclosure of Interests in Other Entities - Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 101 Presentation of Financial Statements - Disclosure Initiative	1 January 2016
Amendments to MFRS 107 Statement of Cash Flows – Disclosure Initiative	1 January 2017
Amendments to MFRS 112 Income Taxes - Recognition of Deferred Tax Assets for Unrealized Losses	1 January 2017
Amendments to MFRS 116 Property, Plant and Equipment - Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 Property, Plant and Equipment - Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 127 Consolidated and Separate Financial Statements - Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate and Joint Venture	To be announced
Amendments to MFRS 128 Investments in Associates and Joint Ventures - Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 138 Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 141 Agriculture - Agriculture: Bearer plants	1 January 2016
Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
MFRS 15 - Revenue from Contracts with Customers (Includes Clarifications to MFRS 15)	1 January 2018
MFRS 9 - Financial Instruments (IFRS 9 Financial Instruments as issued by IASB in July 2014)	1 January 2018
Amendments to MFRS 2 Share-based Payment - Classification and Measurement of Share-based payment Transactions	1 January 2018
MFRS 16 – Leases	1 January 2019

A1. Basis of preparation – cont'd

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any effect to the financial statements of the Group upon their initial application, other than for MFRS 9 Financial Instruments (IFRS 9 Financial Instruments as issued by IASB in July 2014). The Group will assess the financial implications of MFRS 9 Financial Instruments (IFRS 9 Financial Instruments as issued by IASB in July 2014) when the full standard is issued.

A2. Qualification of financial statements

The audit report of the Group's financial statements for the financial period ended 30 June 2016 was not subject to any audit qualification.

A3. Seasonal or cyclical factors

The results for the quarter were not affected by any seasonal or cyclical factors.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

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

A5. Material changes in estimates

There were no changes in estimates of amounts reported in prior financial periods, which have a material effect in the current quarter under review.

A6. Debt and equity securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current quarter under review.

A7. Dividend paid

There were no dividends paid during the current quarter under review.

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2016

A8. Segmental information

All businesses were transacted in Malaysia and generated from solar energy business and information technology related business.

6 months ended 31 December 2016	Animation Designing	Servers	Investment Holding	Publishing	Production House	Solar Energy	Engineering	Total	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	-	556	-	17	-	183	-	756	756
Result									
Profit / (Loss) from reportable segments	-	21	-	(58)	-	163	-	126	126
Admin expenses									(1,411)
Loss before tax									(1,285)
Net loss after tax									<u>(1,285)</u>
Assets									
Segment assets	458	257	1,253	580	1	11,762	1	14,312	14,312
Liabilities									
Segment liabilities	133	108	268	19	130	403	3	1,064	1,064

1. There are no comparative figures for the preceding year cumulative quarter as the Company has changed its financial year end from 31 December to 30 June. The first set of financial statements with the new financial year will be for 18 months period ended 30 June 2016.

A9. Valuation of property, plant and equipment

The Group did not revalue any of its property, plant and equipment during the current quarter under review.

A10. Material events subsequent to the end of the current quarter

There were no material events subsequent to the end of quarter that have not been reflected in the financial statements for the current quarter.

A11. Changes in the composition of the Group

There were no material changes in the composition of the Group during the quarter under review.

A12. Contingent liabilities

Vsolar Group Berhad ("Vsolar") has given corporate guarantee of RM800,000 to Fast Track Solution Sdn Bhd, a subsidiary company of Vsolar as security against banking facility granted to Fast Track Solution Sdn Bhd in the form of bank overdraft.

A13. Capital commitments

There were no capital commitments as at 31 December 2016.

A14. Significant related party transactions

There were no significant related party transactions during the current quarter under review.

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET**B1. Review of performance**Cumulative period ended 31 December 2016

The Group recorded a total revenue of RM0.756 million for the cumulative 6 months period ended 31 December 2016 and posted a loss before taxation of RM1.285 million for the financial period ended 31 December 2016. The revenue was mainly contributed from the server trading segment and solar energy segment. The loss before taxation was mainly contributed from administrative expenses that comprise of depreciation of the solar plants, rental charges and salaries.

As for the current 3 months period ended 31 December 2016, the Group recorded a total revenue of RM0.185 million, as compared to RM0.731 million in the preceding year corresponding quarter. The decrease in revenue was primarily due to decrease in revenue generated from media publishing segment and server trading segment.

The Group recorded gross profit of RM0.165 million for the current 3 months period ended 31 December 2016 as compared to a gross loss of RM0.059 million in the preceding year corresponding quarter, mainly due to revenue generated from solar energy segment.

The Group recorded a loss before taxation of RM0.557 million for the current 3 months period ended 31 December 2016, as compared to RM1.043 million in the preceding year corresponding quarter. The decrease of RM0.486 million in loss before taxation is mainly due to higher administrative expenses that comprise of provision for doubtful debts in the preceding year corresponding quarter.

The total assets for the Group was amounted to RM14.312 million as at 31 December 2016, representing an decrease of RM2.086 million from RM16.398 million as recorded in previous financial period ended 30 June 2016. The decrease was mainly due to decrease in cash and bank balances.

For the financial period under review, the loss per share attributable to ordinary equity holder was stood at negative 0.18 sen as compared to previous corresponding quarter which stood at negative 0.31 sen as a result of decreased in net loss for the period.

Moving forward, the performance of the Group is expected to stand in a favourable position as the income from sales of renewable energy kick starts in the current quarter under review and it will continue to provide a steady income stream and thus, improving the Group's financial performance in the future.

B2. Comparison with preceding quarter's results

The revenue of the Group had decreased by RM0.386 million to RM0.185 million in the current quarter as compared to RM0.571 million in the immediate preceding quarter due to decrease in revenue in server trading segment during the current quarter. The gross profit margin had improved from negative 6.8% to positive 89.7% as compared to the immediate preceding quarter due to higher profit margin generated by solar energy business segment.

B3. Current year prospects

The renewable energy (RE) market in Malaysia is expected to grow to nearly 2 GW by 2020 and 4 GW by 2030. All these efforts translate to the avoidance of up 145.1 metric tons of CO₂ emission. Solar PV will be the dominant source of energy post 2035 taking up 40% of the total capacity by 2045.

B3. Current year prospects – cont'd

In financial year 2017, Vsolar strive to increase its exposure in the solar farm development sector, the Group had plans to utilise its resources to enhance Group's ability to innovate and develop new ideas in order to fully unlock the potential of its solar plant development in the near future.

B4. Variance on forecast profit/profit guarantee

The Group has not provided any profit forecast or profit guarantee and thus this is not applicable to the Group.

B5. Taxation

There is no taxation being provided during the current quarter under review.

B6. Profit on sale of unquoted investments and/or properties

There was no sale of unquoted investments and/or properties during the current quarter under review.

B7. Purchase or disposal of quoted securities

There was no purchase or disposal of any quoted securities during the current quarter under review.

B8. Status of corporate proposals

There is no corporate proposals announced but not completed as at the reporting date save and except for the following:-

(a) Bumiputera Shareholding Requirements

Vsolar had, on 19 June 2009, submitted an application for an extension of time to meet the 30% Bumiputera shareholding requirement to the Securities Commission ("SC"). The SC had vide its letter dated 14 July 2009 approved the extension of time to meet the Bumiputera shareholding requirement ("Approval Letter") as follows:-

- (i) Vsolar is to comply with the Bumiputera equity condition by 31 December 2010 via the allocation of 12.5% of its enlarged issued and paid-up share capital to Bumiputera investors recognised by the Ministry of International Trade and Industry ("MITI") within 5 years from its listing on the ACE Market of Bursa Securities ("Revised Equity Condition"). In connection thereto, the shares must be allocated to public shareholders (as defined under the Listing Requirements of Bursa Securities for the ACE Market). As such, the equity condition imposed via the SC's letter 7 July 2004 will no longer be applicable;
- (ii) MIMB Investment Bank Bhd ("MIMB")/Vsolar is to submit a proposal to the SC to meet the Revised Equity Condition within 6 months from the date of the Approval Letter;
- (iii) MIMB/Vsolar is to submit an application to MITI for purposes of the allocation of shares to Bumiputera investors. In the event the said shares are not fully subscribed by the Bumiputera investors or MITI fails to allocate the shares within 1 year, Vsolar will be exempted from complying with the Revised Equity Condition; and

B8. Status of corporate proposals – cont'd(a) Bumiputera Shareholding Requirements – cont'd

- (iv) MIMB/Vsolar is to submit a quarterly report to the SC on the progress of MITI's share allocation process.

On behalf of Vsolar, M&A Securities Sdn Bhd, the Adviser of Vsolar has on 31 May 2012 applied to the Securities Commission that Datuk Manan Bin Haji Md Said, the Executive Chairman of Vsolar has provided an irrevocable written undertaking to subscribe for up to 50,000,000 rights shares which will be issued together with 3,333,333 warrants via 3 excess application, if required, to meet the minimum subscription level (hereinafter referred to as "Undertaking"). In the event of Datuk Manan Bin Haji Md Said subscribes in full for the rights shares pursuant to the Undertaking, Datuk Manan Bin Haji Md Said's shareholding in Vsolar would increase to 32.79%, which meet the Revised Equity Condition. In the event, Datuk Manan is not required to subscribe in full for the rights shares pursuant to the Undertaking, Datuk Manan's shareholding may not fulfil the Revised Equity Condition. If that event arises, Vsolar will submit another proposal to the SC to meet the Revised Equity Condition (hereinafter referred to as "Application to Securities Commission (Equity Compliance Unit)"). On 16 July 2012, M&A Securities Sdn Bhd act on behalf of Vsolar to submit the withdrawal application to SC in relation to the Application to Securities Commission (Equity Compliance Unit).

On 4 June 2013, the Board has resolved to implement a private placement exercise involving the issuance of up to 25,624,500 new ordinary shares of RM0.10 each in Vsolar where the Board had given priority to issue the Placement Shares to Bumiputera investors in order to address the equity condition. In relation thereto, M&A Securities was appointed as the placement agent to identify potential Bumiputera investors. In their efforts to identify potential Bumiputera investors, M&A Securities had first offered the Placement Shares to their stockbroking team's existing retail clients. However, M&A Securities did not receive any interests from Bumiputera investors for the Placement Shares. Resulting from the absence of interests from Bumiputera investors in the Placement Shares, Vsolar had proceeded to issue the Placement Shares to other non-bumiputera third party investors in order to complete the Private Placement.

Moving forward, Vsolar will continue strive to meet the equity condition via new fund raising exercises. At this juncture, Vsolar had on 9 July 2015 obtained shareholders' approval on the Proposed Rights Issue II. Under the Proposed Rights Issue II, the Board intends to obtain the irrevocable undertaking from Bumiputera investors to subscribe for the new rights shares to be issued. In the event that such undertaking can be successfully procured, the equity condition shall be met.

On 23 January 2015, Vsolar had made further applications to extent the Bumiputera shareholding requirements via M&A Securities Sdn Bhd.

On 23 April 2015, Vsolar had obtained an 18-month extension of time approval from Securities Commission Malaysia subject to Vsolar submitting a proposal to SC to comply with the Bumiputera equity condition before 22 October 2015.

On 13 October 2015, Vsolar had submitted a letter to SC in relation to the Bumiputera Compliance Requirement based on the record of depositors of Vsolar as at 21 September 2015.

On 11 August 2016, Vsolar had submitted a letter to SC to seek for waiver from complying with the Bumiputera Compliance Requirement via M&A Securities Sdn Bhd.

On 11 October 2016, Vsolar had obtained the waiver approval from SC in relation to complying with the Bumiputera Compliance Requirement via M&A Securities Sdn Bhd.

B8. Status of corporate proposals – cont'd

(b) Corporate Proposals and Fund Raising

On 8 December 2014, the Board had announced to Bursa Securities that Vsolar wishes to undertake the following proposals:-

- i) Proposed renounceable rights issue of up to 1,153,102,353 new ordinary shares of RM0.10 each in Vsolar together with up to 576,551,176 free detachable warrants (“Warrants-B”) on the basis of three (3) Rights Shares for every existing ordinary share of RM0.10 each held in Vsolar together with one (1) Warrant-B for every two (2) Rights Shares subscribed at an entitlement date to be determined later;
- ii) Proposed establishment and implementation of an ESOS for eligible employees and Directors of Vsolar and its subsidiaries (excluding dormant subsidiaries);
- iii) Proposed increase in the authorised share capital of Vsolar from RM50,000,000 comprising 500,000,000 Vsolar Shares to RM500,000,000 comprising 5,000,000,000 Vsolar Shares (“Proposed IASC”); and
- iv) Proposed amendments to the Memorandum and Articles of Association of Vsolar to facilitate the Proposed IASC.

On 9 July 2015, Vsolar had obtained shareholders’ approval for the multi proposals stated above via Extraordinary General Meeting.

On 17 September 2015, Vsolar has submitted to Bursa Securities on an application for extension of time of four (4) months up to 28 March 2016 to complete the Proposed Rights Issue with Warrants.

On 6 October 2015, Bursa Malaysia Securities Berhad has resolved to grant Vsolar an extension of time of four (4) months from 29 November 2015 to 28 March 2016 to complete the implementation of the Proposed Rights Issue of Warrants.

On 22 January 2016, Vsolar has submitted to Bursa Securities on an application for extension of time of six (6) months up to 28 September 2016 to complete the Proposed Rights Issue with Warrants.

On 3 February 2016, Bursa Malaysia Securities Berhad has resolved to grant Vsolar an extension of time of six (6) months from 29 March 2016 to 28 September 2016 to complete the implementation of the Proposed Rights Issue of Warrants.

On 21 July 2016, Vsolar has submitted to Bursa Securities on an application for extension of time of six (6) months up to 28 March 2017 to complete the Proposed Rights Issue with Warrants.

On 16 August 2016, Bursa Malaysia Securities Berhad has resolved to grant Vsolar an extension of time of six (6) months from 29 September 2016 to 28 March 2017 to complete the implementation of the Proposed Rights Issue of Warrants.

B9. Status of utilisation of proceeds

Funds raised via corporate exercises had been fully utilised and disclosed in the previous quarterly reports.

B10. Borrowings and debt securities

The Group did not issue any debt securities or long term borrowings during the current quarter under review. The Group's borrowings which are denominated in Ringgit Malaysia as at 31 December 2016 are as follows:

	Secured	Unsecured	Total
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Short term loans			
Term loans	-	-	-
Revolving credits	-	-	-
Finance lease	112	-	112
Overdraft	-	-	-
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Long term loans			
Term loans	-	-	-
Revolving credits	-	-	-
Finance lease	271	-	271
Overdraft	-	-	-
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B11. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this quarterly report.

B12. Material litigation

There are no pending material litigations involving the Group as at the date of this report.

B13. Dividend

The Board of Directors did not recommend any dividend for the current quarter ended 31 December 2016.

B14. Loss before tax

	Individual Quarter		Cumulative Year to Date	
	3 months ended		6 months ended	
	31/12/2016	31/12/2015	31/12/2016	(Note 1)
	RM'000	RM'000	RM'000	RM'000
<u>Loss before tax is stated after crediting:-</u>				
Interest income	N/A	N/A	N/A	N/A
Other income (including investment income)	N/A	N/A	N/A	N/A
Gain on disposal of plant & equipment	N/A	N/A	N/A	N/A
Foreign exchange gain	N/A	N/A	N/A	N/A
<u>Loss before tax is stated after charging:-</u>				
Interest expense	N/A	2	N/A	N/A
Depreciation and amortisation	211	77	379	N/A
Foreign exchange loss	N/A	N/A	N/A	N/A
Impairment of assets	N/A	7	N/A	N/A
Exceptional items	N/A	N/A	N/A	N/A
Provision for and write off of inventories	N/A	N/A	N/A	N/A
Provision for and write off of receivables	N/A	311	N/A	N/A
Loss on derivatives	N/A	N/A	N/A	N/A
Loss on disposal of investments or properties	N/A	N/A	N/A	N/A

Note:

1. There are no comparative figures for the preceding year cumulative quarter as the Company has changed its financial year end from 31 December to 30 June. The first set of financial statements with the new financial year will be for 18 months period ended 30 June 2016.

B15. Loss per share

Basic loss per share is calculated by dividing the net loss for the period by the number of ordinary shares in issue during the period.

	Quarter Ended		Year Ended	Preceding
	31 Dec 2016	31 Dec 2015	31 Dec 2016	Year To Date (Note 1)
Net loss attributable to owners of the parent (RM'000)	(540)	(932)	(1,247)	-
Weighted average number of ordinary shares in issue ('000)	299,593	296,081	299,593	-
Basic loss per share attributable to owners of the parent (sen)	(0.18)	(0.31)	(0.42)	-

The diluted loss per share for the financial period is based on the loss attributable to the equity holders of the Company divided by number of ordinary shares in issue during the period.

	Quarter Ended		Year Ended	Preceding
	31 Dec 2016	31 Dec 2015	31 Dec 2016	Year To Date (Note 1)
Net loss attributable to owners of the parent (RM'000)	(540)	(932)	(1,247)	-
Weighted average number of ordinary shares in issue ('000)	299,593	296,081	299,593	-
Effect of dilution of warrants ('000)	92,007	92,007	92,007	-
Adjusted weighted average number of ordinary shares in issue ('000)	391,600	388,088	391,600	-
Diluted loss per share attributable to owners of the parent (sen)	#	(0.24)	#	-

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2016

B15. Loss per share – cont'dNote:

1. There are no comparative figures for the preceding year cumulative quarter as the Company has changed its financial year end from 31 December to 30 June. The first set of financial statements with the new financial year will be for 18 months period ended 30 June 2016.

The fully diluted loss per ordinary share for the Group for the current quarter ended 31 December and current year 6 months to date is not presented as the warrants would be anti-dilutive.

B16. Realised and unrealised profits/losses disclosure

	As at 31/12/2016	Preceding Year To Date (Note 1)
	RM'000	RM'000
Total accumulated losses from the Company and its subsidiaries		
- Realised	(34,364)	-
- Unrealised	(4,042)	-
	<hr/>	
	(38,406)	-
Less: Consolidated Adjustment	7,007	-
	<hr/>	
Total accumulated losses as per consolidated financial statements	(31,399)	-
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Note:

1. There are no comparative figures for the preceding year cumulative quarter as the Company has changed its financial year end from 31 December to 30 June. The first set of financial statements with the new financial year will be for 18 months period ended 30 June 2016.