

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2017 RM	Preceding Year Corresponding Quarter 30.09.2016 RM	Current Year To Date 30.09.2017 RM	Preceding Year Corresponding Period 30.09.2016 RM
Revenue	1,116,784	2,778,535	2,541,545	3,825,570
Cost of sales	(461,248)	(1,935,507)	(1,410,544)	(2,102,201)
Gross profit	<u>655,536</u>	<u>843,028</u>	<u>1,131,001</u>	<u>1,723,369</u>
Administrative expenses	(1,289,826)	(1,073,488)	(1,750,408)	(2,042,348)
Other expenses	36,748	(602,284)	(413,343)	(1,162,611)
Operating loss	<u>(597,542)</u>	<u>(832,744)</u>	<u>(1,032,750)</u>	<u>(1,481,590)</u>
Finance income	9,885	1,837	12,763	4,801
Other operating income	-	(5,815)	-	30,688
Finance cost	(41,823)	(229,576)	(55,737)	(365,567)
Share of loss of associates	-	-	-	-
Loss before taxation	<u>(629,480)</u>	<u>(1,066,298)</u>	<u>(1,075,724)</u>	<u>(1,811,668)</u>
Taxation	-	-	-	-
Loss for the period	<u>(629,480)</u>	<u>(1,066,298)</u>	<u>(1,075,724)</u>	<u>(1,811,668)</u>
Non controlling interest	31,379	16,705	(21,368)	25,456
Loss for the period after minority interest	<u>(598,101)</u>	<u>(1,049,593)</u>	<u>(1,097,092)</u>	<u>(1,786,212)</u>
Other comprehensive income:				
Exchange difference on translation of foreign operation	-	-	-	-
Total comprehensive loss for the period	<u>(598,101)</u>	<u>(1,049,593)</u>	<u>(1,097,092)</u>	<u>(1,786,212)</u>
Loss for the period attributable to:				
Equity holders of the Company	(598,101)	(1,049,593)	(1,097,092)	(1,786,212)
Non-controlling interests	(31,379)	(16,705)	21,368	(25,456)
Loss for the period	<u>(629,480)</u>	<u>(1,066,298)</u>	<u>(1,075,724)</u>	<u>(1,811,668)</u>
Total comprehensive loss attributable to:				
Equity holders of the Company	(566,722)	(1,032,888)	(1,118,460)	(1,760,756)
Non-controlling interests	(31,379)	(16,705)	21,368	(25,456)
Total comprehensive loss for the period	<u>(598,101)</u>	<u>(1,049,593)</u>	<u>(1,097,092)</u>	<u>(1,786,212)</u>
Basic EPS (sen)	(0.51)	(0.90)	(0.94)	(1.54)
Diluted EPS (sen)	N/A	N/A	N/A	N/A

Note:

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read together with the audited consolidated financial statements for the financial year ended 31 March 2017 and the accompanying explanatory notes attached to this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2017

	Unaudited As at 30.09.2017 RM	Audited As at 31.03.2017 RM
ASSETS		
Non-current assets		
Property, plant and equipment	4,857,175	5,755,019
Investment Property	2,381,819	2,381,819
Investment in joint venture	-	-
Goodwill on consolidation	4,280,351	4,280,351
	<u>11,519,345</u>	<u>12,417,189</u>
Current assets		
Inventories	-	-
Trade receivables	2,706,191	2,985,097
Other receivables, deposits and prepayments	1,522,046	1,633,399
Tax refundable	6,725	6,725
Fixed deposits with a licensed banks	136,709	133,000
Cash and bank balances	292,191	350,915
	<u>4,663,862</u>	<u>5,109,136</u>
TOTAL ASSETS	<u><u>16,183,207</u></u>	<u><u>17,526,325</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	31,299,574	31,299,574
Share premium	-	-
Warrant reserves	4,567,977	4,567,977
Exchange fluctuation reserve	-	-
Fair value adjustment reserve	-	-
Revaluation reserve	-	-
Accumulated losses	(25,114,567)	(24,017,475)
	<u>10,752,984</u>	<u>11,850,076</u>
Equity classified as held for sales	-	-
Non-controlling interests	(282,548)	(303,916)
Total equity	<u>10,470,436</u>	<u>11,546,160</u>
Non-current liabilities		
Deferred tax liabilities	251,000	251,000
Finance lease payables	85,396	96,544
Other payable	738,625	648,999
	<u>1,075,021</u>	<u>996,543</u>
Current liabilities		
Trade payables	1,907,735	2,009,847
Other payables and accruals	1,345,540	1,214,783
Amount owing to directors	91,662	70,973
Finance lease payables	1,292,813	1,688,019
Provision for taxation	-	-
	<u>4,637,750</u>	<u>4,983,622</u>
TOTAL EQUITY AND LIABILITIES	<u><u>16,183,207</u></u>	<u><u>17,526,325</u></u>
Net assets per share attributable to ordinary equity holders of the parent company (sen)	9.25	10.19

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 March 2017 and the accompanying notes attached to this interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE PERIOD ENDED 30 SEPTEMBER 2017**

	<----- Attributable to equity holders of the parent ----->										
	30.09.2017										
	Share capital RM	Share premium RM	Warrant reserves RM	Foreign currency translation reserve RM	Capital reserve RM	Fair value adjustment reserve RM	Revaluation reserve RM	Distributable Accumulated losses RM	Total RM	Non-controlling interest RM	Total Equity RM
3 months period ended 30 September 2017											
Balance as at 1 April 2017	31,299,574	-	4,567,977	-	-	-	-	(24,017,475)	11,850,076	(303,916)	11,546,160
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Loss for the financial year	-	-	-	-	-	-	-	(1,097,092)	(1,097,092)	21,368	(1,075,724)
Total comprehensive loss for the financial period	-	-	-	-	-	-	-	(1,097,092)	(1,097,092)	21,368	(1,075,724)
Balance as at 30 September 2017	<u>31,299,574</u>	<u>-</u>	<u>4,567,977</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,114,567)</u>	<u>10,752,984</u>	<u>(282,548)</u>	<u>10,470,436</u>
6 months period ended 30 September 2016											
Balance as at 1 Apr 2016	11,626,990	19,672,584	4,567,977	132,289	-	(7,312)	475,509	(16,221,288)	20,246,749	(51,407)	20,195,342
Other comprehensive (loss)/profit for the year, net after tax:											
- foreign currency translation	-	-	-	-	-	-	-	-	-	-	-
- reversal of deferred tax liability on revaluation surplus	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive (loss)/ profit for the year	-	-	-	-	-	-	-	-	-	-	-
Net loss for the period	-	-	-	(40,053)	-	-	-	(1,786,212)	(1,826,265)	(25,456)	(1,851,721)
Balance as at 30 September 2016	<u>11,626,990</u>	<u>19,672,584</u>	<u>4,567,977</u>	<u>92,236</u>	<u>-</u>	<u>(7,312)</u>	<u>475,509</u>	<u>(18,007,500)</u>	<u>18,420,484</u>	<u>(76,863)</u>	<u>18,343,621</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 March 2017 and the accompanying notes attached to this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR PERIOD ENDED 30 SEPTEMBER 2017

	6 MONTHS 30.09.2017 RM	6 MONTHS 30.09.2016 RM
Cash flow from operating activities		
Loss before taxation	(1,075,724)	(1,811,668)
Non cash adjustment		
Depreciation of property, plant and equipment	900,203	1,162,611
Gain on disposal of property, plant and equipment	-	(36,698)
Impairment of trade receivables	335,971	
Waiver of debts	(9,000)	-
Deposit written off	-	-
Finance income	(3,763)	(4,801)
Finance costs	55,737	365,567
Operating profit /(loss) before working capital changes	<u>203,424</u>	<u>(324,989)</u>
Changes in working capital:		
Increase in inventories	-	(67,827)
Decrease in receivables	54,288	640,260
Increase in payables	122,436	861,478
Cash generated from operations	<u>380,148</u>	<u>1,108,922</u>
Interest received	3,763	4,801
Income tax paid	-	-
Net cash generated from operating activities	<u>383,911</u>	<u>1,113,723</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,359)	(593,046)
Proceed on disposal of property, plant and equipment	-	-
Net cash used in investing activities	<u>(2,359)</u>	<u>(593,046)</u>
Cash flows from financing activities		
Placement of fixed deposit with licensed bank	(3,709)	-
Repayment of finance lease payables	(406,354)	(436,531)
Repayment of borrowings	-	(250,799)
Interest paid	(30,213)	(365,567)
Net cash used in financing activities	<u>(440,276)</u>	<u>(1,052,897)</u>
Net decrease in cash and cash equivalents	(58,724)	(532,220)
Cash and cash equivalents at beginning of year	350,915	4,636,725
Exchange differences	-	(49,124)
Cash and cash equivalents as at 30 June	<u>292,191</u>	<u>4,055,381</u>
Cash and cash equivalents as at 30 June comprises the following:		
Cash and bank balances	292,191	4,055,381
Fixed deposits with a licensed bank	136,709	-
	<u>428,900</u>	<u>4,055,381</u>
Less: Fixed deposits pledged	(136,709)	-
	<u>292,191</u>	<u>4,055,381</u>

The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 March 2017 and the accompanying notes attached to this interim financial report.

NOTES TO INTERIM FINANCIAL REPORT

PART A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”)

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standard (“MFRS”) 134 - Interim Financial Reporting and Chapter 9, Part K Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market, and should be read in conjunction with the Group’s annual audited financial statements for the year ended 31 March 2017. The accounting policies and methods of computation adopted by the Group in the interim unaudited financial statements are consistent with those adopted for the year ended 31 March 2017.

2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 March 2017, as well as the new/revised/amendments standard mandatory for financial periods beginning on or after 1 April 2017.

3. Auditors’ Report

The auditors’ report on the financial statements for the financial year ended 31 March 2017 was not subject to any qualification.

4. Seasonal or Cyclical Factors

The operations of the Group were not affected by any seasonal/cyclical factors during the current quarter under review.

5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items of unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows of the Group during the current quarter ended 30 September 2017.

6. Material Changes in Estimates

There were no material changes in the nature and amount of estimates reported in prior interim periods of the current financial year or in prior financial years that will have a material effect in the current quarter under review.

7. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter under review.

8. Dividends Paid

There were no dividends paid and/or proposed during the current quarter under review.

9. Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Group did not carry out any revaluation on the property, plant and equipment during the current quarter under review.

10. Changes in the Composition of the Group

There was no change in the composition of the Group during the current quarter under review.

11. Segmental Information

The segmental analysis of revenue and loss before taxation of the Group for the financial period ended 30 September 2017 is tabulated below:

	Logistics Business RM'000	Stevedoring Business RM'000	Engineering RM'000	Investment holding RM'000	Total RM'000
Revenue					
External revenue	789	829	924	-	2,542
Inter Segment - revenue	558	240	-	-	798
Segment revenue	<u>1,348</u>	<u>1,069</u>	<u>924</u>	<u>-</u>	<u>3,340</u>
Result					
Loss before tax	<u>(459)</u>	<u>105</u>	<u>(396)</u>	<u>(445)</u>	<u>(1,195)</u>

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

As at the date of the report, being the latest practicable date of this Report, there are no material events subsequent to the quarter ended 30 September 2017.

13. Contingent Liabilities

	Current Quarter ended 30.09.2017 RM	Financial Year ended 31.03.2017 RM
Corporate guarantee given to licensed leasing house for leasing facility granted to a subsidiary	769,977	1,019,273
Corporate guarantee given to a licensed bank for banking facility granted to a subsidiary	133,000	133,000
Corporate guarantee given to a third party for rental of machineries facility granted to a subsidiary	<u>504,852</u>	<u>644,632</u>
	<u>1,407,829</u>	<u>1,796,905</u>

14. Capital Commitments

There were no material capital commitments during the current quarter under review.

15. Related Party Transaction

The Group has not entered into any related party transaction during the current quarter under review.

PART B - Explanatory Notes Pursuant to Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Securities for the ACE Market

16. Review of Performance for the Quarter ended 30 September 2017 and Year-to-date

For the quarter ended 30 September 2017, the Group generated RM2.54 million in revenue, a decrease of 34% as compared to the revenue achieved in the preceding year corresponding quarter of approximately of RM3.83 million. The lower revenue in current year to date compare to the preceding year corresponding quarter mainly resulted from the disposal of loss making IT businesses subsidiary which had contributed RM1.94 million in the preceding year.

The Group recorded a loss before taxation (“LBT”) of RM1.08 million as at year-to-date compare to the LBT of RM1.81 million registered in the preceding year corresponding quarter ended 30 September 2016. The current year losses was mainly resulted from the depreciation and impairment of receivable.

17. Comparison between the Current Quarter and the Immediate Preceding Quarter

	6 Months Current Quarter 30.09.2017 RM'000	6 Months Preceding Quarter 30.09.2016 RM'000	Changes	
			Amount RM,000	Percent age %
Revenue	1,117	2,778	(1,661)	-60
Gross Profit	655	843	(188)	-22
Operating loss	(598)	(833)	235	28
Loss before tax	(629)	(1,066)	437	41
Loss after tax	(629)	(1,066)	437	41
Loss attributable to owners of the Company	(598)	(1,049)	451	43

The Group revenue of RM1.12 million in current quarter representing a decrease of approximately 60% as compared to the revenue of approximately RM2.78 million achieved in the immediate preceding quarter ended 30 June 2017. The decrease was as a result of the disposal of loss making IT business subsidiary in March 2017.

The decrease in the operating loss in current quarter 30 September 2017 due to the company made provision of impairment of Interest in Joint venture and impairment of goodwill in the immediate preceding quarter.

Logistics Businesses (including stevedoring) revenue was achieved RM1.12 million with an increase of 15% or RM147 thousand in current quarter compare to RM970 thousand in the immediate preceding quarter.

The Group registered a LBT of approximately RM629 thousand for the current quarter as compared to the immediate preceding quarter of a LBT of RM1.07million. The decrease in current quarter losses was mainly resulted from the cost/expenses reduction initiatives undertaken by the Group.

18. Prospects for the Current Financial Year

In the face of challenging economic, the Group expected the business environment to remain resilient for the financial year ending 31 March 2018. The Group will continue its efforts to improve and enhance its range of services, products and solution and continue its conservative approach to build the market locally and with regional expansion plans for the Company's services.

The management will continue to explore potential business expansion and to focus on improving operational efficiencies and monitoring and controlling its operational expenses to achieve improved profitability and sustainable business growth.

19. Profit Forecast and Profit Guarantee

The Group did not issue any profit forecast or profit guarantee during the current financial period to-date.

20. Taxation

Taxation comprises:

	6 months ended	
	30.09.2017	30.09.2016
	RM	RM
Income Tax		
Local	-	-
Overseas	-	-
Deferred Tax	-	-
	<u> </u>	<u> </u>
	-	-

21. Profits/ (Losses) on Sale of Unquoted Investments and/or Properties

There was no purchase or disposals of unquoted investment and /or properties during the current quarter under review and current period to-date.

22. Purchase or Disposal of Quoted Securities

There was no purchases or disposals of quoted securities by the Group during the current quarter under review.

23. Status of Corporate Proposals and Utilisation of Proceeds

As at the date of the report, being the latest practicable date of this Report, there were no other corporate proposals announced by the Company and pending for completion except the following:-

On 24 November 2016, on behalf of Asdion Berhad (“Asdion” or “the Company”), M&A Securities Sdn Bhd announced that the Company proposes to undertake a private placement of up to 10% of the issued shares of Asdion entail the issuance of up to 16,492,500 new Placement Shares at an issue price to be determined and announced at a later date (“Proposed Private Placement”).

For illustrative purposes, assuming the Placement Shares are issued at an indicative issue price of RM0.15 per Placement Share (“Indicative Issue Price”), the Indicative Issue Price represents a discount of approximately 3.85% to the volume weighted average market price (“VWAMP”) of ASDION Shares for the 5 market days up to the LPD of RM0.1560. The Proposed Private Placement is expected to raise gross proceeds of up to approximately RM2.47 million.

The proceeds raised are expected to be utilised in the following manner:-

	RM'000	Expected time frame for utilisation of proceeds (from listing date)
Working capital purposes	2,394 (i)	Within 6 months
Estimated expenses for the Proposed Private Placement	80 (ii)	Within 1 month
Total estimated proceeds	<u>2,474</u>	

- (i) The proceeds are to be utilised as working capital, primarily to pay the ASDION and its subsidiaries’ (“Group”) trade creditors. As at 31 October 2017, the Group’s trade creditors stood at RM1.82 million. Any remaining proceeds amount is to fund the day-to-day operations of the Group’s on-going businesses, which may include operating and administrative expenses.

	RM'000
Payment to trade creditors	1,823
To fund the day-to day operation of the Group’s on going businesses	
- Operating expenses	200
- Administrative expenses, overheads and salaries	371
Total estimated proceeds	<u>2,394</u>

- (ii) This includes payment of fees to the relevant authorities, advisory and placement fees. If the actual expenses are higher than the amount budgeted, the deficit will be funded out of working capital. Conversely, if the actual expenses are lower than the amount budgeted, the excess will be utilised for working capital.

24. Borrowings

Details of the Group's borrowings at 30 September 2017 are as follows:

	Current 30.09.2017	Non-Current 30.09.2017	Total 30.09.2017
Secured			
- Term loans	-	-	-
- Finance lease payable	1,292,813	85,396	1,378,209
Total	1,292,813	85,396	1,378,209

25. Off Balance Sheet Financial Instruments

The Group has not entered into any off balance sheet financial instruments as at the date of this quarterly report.

26. Material Litigation

There is no material litigation as at the date of the report except the following:-

- (a) As at the date of issue this quarterly report, the Group On 22 October 2015, the subsidiary of the Company - Taz Logistics Sdn Bhd vide its Company's solicitors, initiated legal action ("Legal Matter") against Taz Metals Sdn Bhd and 4 other defendants. whilst against the 1st Defendant, is knowingly receipt of trust properties, the claim against the 1st, 2nd and 3rd Defendants as knowingly assisting the 4th and 5th Defendants to breach their fiduciary duties to Taz Logistics whilst the claim against the 4th and 5th Defendants is for a breach of fiduciary duties towards Taz Logistics. An interim remedy is sought whereby the appointment of receiver and manager is sought over Taz Metals, save for the announcement made on 29 October 2015, 15 December 2015, 27 January 2016 and 28 January 2016, 29 August 2016, 30 November 2016 and 9 January 2017, 22 February 2017, 10 July 2017, 11 August 2017, 25 October 2017 and 1 November 2017

Subsequently on 28 November 2016, the learned High Court Judge has dismissed TAZ Logistics' claim against TAZ Metals and 4 Ors. The Company had on 23 December 2016 filed an appeal to the Court of Appeal against the decision of the High Court., save for the announcement for the announcement 22 March 2017 and 10 July 2017.

The Court of Appeal ("the has fixed the matter for further case management on 14 December 2017 for Appellant's solicitor to file and serve the Supplementary of Record of Appeal to include the Ground of decision and to include the Fair copy of the Judgment (extension of time for filing the Record of Appeal).

The Company is unable at this juncture to determine the impact of this action on the financial position of the Company as the quantum that may be recovered is still unknown.

26. Material Litigation (Continued)

(b) On 3 October 2017, Venice Sanctuary Sdn Bhd (“VSSB”), a wholly owned subsidiary of the Company has filed a writ of summon against Metro Hartamas Sdn Bhd, a debtor (“the Defendant”) due to the fact the Defendant failing to settle the outstanding sum amounting to approximately RM335,970.81.

On 8 November 2017, the Company was informed by the Solicitor that the Judgement in Default had been served on the Defendant.

This impact of this action will not have any additional financial and operational impact to the Group.

27. LISTING REQUIREMENT

The auditor have performed limited review on this report solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia Securities Berhad.

28. Dividend

No interim dividend has been declared or paid during the current quarter under review.

29. Earnings Per Share

The basic EPS for the current quarter and cumulative period to date are computed as follows:

a) Basic

Basic EPS is calculated by dividing the net loss attributable to the shareholders of the Group by the weighted average number of shares during the period.

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30.09.2017	Preceding Year Corresponding Quarter 30.09.2016	Current Year To Date 30.09.2017	Preceding Year Corresponding To Date 30.09.2016
Loss attributable to the ordinary equity holders of the parent company (RM)	(718,101)	(1,049,593)	(1,217,092)	(1,786,212)
Weighted average number of shares	116,269,900	116,269,900	116,269,900	116,269,900
Basic EPS (sen)	(0.51)	(0.90)	(0.94)	(1.54)

b) Diluted

Not applicable

30. Loss Before Taxation

Loss before taxation is arrived at after charging / (crediting):

	Quarter ended RM 30.09.2017	Year to date RM 30.09.2017
Depreciation of property, plant & equipment	450,113	900,203
Impairment in trade receivable	335,971	335,971
Interest expense	41,823	55,737
Interest income	(3,763)	(3,763)
Waiver of debts	(9,000)	(9,000)
	<u> </u>	<u> </u>

31. Disclosure of Realised and Unrealised Profit or Losses

	Year to date RM 30.09.2017	Year to date RM 30.09.2016
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(17,147,912)	(16,332,441)
- Unrealised	(251,000)	(162,000)
	(17,398,912)	(16,494,441)
Total share of accumulated losses from the associate company:		
- Realised	-	-
	<u>(17,398,912)</u>	<u>(15,461,553)</u>
Less: Consolidation adjustments	<u>(7,715,655)</u>	<u>(1,513,059)</u>
Total Group accumulated losses	<u><u>(25,114,567)</u></u>	<u><u>(18,007,500)</u></u>