



MEXTER

**MEXTER TECHNOLOGY BERHAD**

(Company No: 647673 - A)  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE PERIOD ENDED  
30 JUNE 2018**

**MEXTER TECHNOLOGY BERHAD**

(Company No 647673-A)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2018**

The Board of Directors of Mexter Technology Berhad (“Mexter” or “Company”) wishes to announce the following unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements of Mexter for the financial year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTERS		
		Current year quarter	Preceding year corresponding quarter	Change %	Current year to date	Preceding year corresponding period	Change %
		30-Jun-18 RM'000	30-Jun-17 RM'000		30-Jun-18 RM'000	30-Jun-17 RM'000	
Revenue	A8	4,744	4,309	10.1%	4,744	4,309	10.1%
Cost of sales		(3,863)	(3,512)	10.0%	(3,863)	(3,512)	10.0%
Gross profit		<u>881</u>	<u>797</u>		<u>881</u>	<u>797</u>	
Operating expenses		(2,553)	(1,854)	37.7%	(2,553)	(1,854)	37.7%
Other operating income		<u>85</u>	<u>7</u>	1114.3%	<u>85</u>	<u>7</u>	1114.3%
Loss from operations	B5	(1,587)	(1,050)		(1,587)	(1,050)	
Interest income		22	6	266.7%	22	6	266.7%
Interest expense		<u>(24)</u>	<u>(25)</u>	-4.0%	<u>(24)</u>	<u>(25)</u>	-4.0%
Loss before tax		(1,589)	(1,069)	48.6%	(1,589)	(1,069)	48.6%
Taxation	B6	<u>2</u>	<u>2</u>	0.0%	<u>2</u>	<u>2</u>	0.0%
<b>Loss for the period</b>		<u>(1,587)</u>	<u>(1,067)</u>	48.7%	<u>(1,587)</u>	<u>(1,067)</u>	48.7%
<b>Other comprehensive income</b>							
Foreign currency translation		42	12	250.0%	42	12	250.0%
Total other comprehensive income for the period, net of tax		<u>42</u>	<u>12</u>	250.0%	<u>42</u>	<u>12</u>	250.0%
<b>Total comprehensive loss for the period</b>		<u>(1,545)</u>	<u>(1,055)</u>	46.4%	<u>(1,545)</u>	<u>(1,055)</u>	46.4%
<b>Loss attributable to:</b>							
Owners of the Company		(1,488)	(925)	60.9%	(1,488)	(925)	60.9%
Non-controlling interest		<u>(99)</u>	<u>(142)</u>	-30.3%	<u>(99)</u>	<u>(142)</u>	-30.3%
<b>Total Comprehensive loss attributable to:</b>		<u>(1,587)</u>	<u>(1,067)</u>		<u>(1,587)</u>	<u>(1,067)</u>	
Owners of the Company		(1,454)	(916)		(1,454)	(916)	
Non-controlling interest		<u>(91)</u>	<u>(139)</u>		<u>(91)</u>	<u>(139)</u>	
		<u>(1,545)</u>	<u>(1,055)</u>		<u>(1,545)</u>	<u>(1,055)</u>	
<b>Earnings per share:</b>							
Basic earnings per share (sen)	B11(a)	(0.57)	(0.46)		(0.57)	(0.46)	
Diluted earnings per share (sen)	B11(b)	(0.50)	(0.38)		(0.50)	(0.38)	

**MEXTER TECHNOLOGY BERHAD**

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**INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2018****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2018**

	Note	(UNAUDITED) AS AT 30-Jun-18 RM'000	(AUDITED) AS AT 31-Mar-18 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		7,935	7,322
Investment Property		4,276	4,304
		<u>12,211</u>	<u>11,626</u>
<b>Current assets</b>			
Other investments		125	304
Inventories		453	437
Trade and other receivables		5,859	5,750
Current tax assets		528	515
Cash and bank balances		10,815	12,581
		<u>17,780</u>	<u>19,587</u>
<b>TOTAL ASSETS</b>		<u>29,991</u>	<u>31,213</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		47,350	46,552
Reserves		(28,034)	(26,328)
		19,316	20,224
<b>Non-Controlling interest</b>		(837)	(746)
<b>Total equity</b>		<u>18,479</u>	<u>19,478</u>
<b>Non-current liabilities</b>			
Borrowings	B8	1,754	1,785
Deferred tax liabilities		327	330
		<u>2,081</u>	<u>2,115</u>
<b>Current liabilities</b>			
Trade and other payables		9,099	9,286
Deferred income		127	128
Current tax liabilities		73	72
Borrowings		132	134
		<u>9,431</u>	<u>9,620</u>
<b>Total liabilities</b>		<u>11,512</u>	<u>11,735</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>29,991</u>	<u>31,213</u>
Net assets per share attributable to owners of the Company (RM)		<u>0.07</u>	<u>0.05</u>

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**INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2018**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2018**

	<----- Attributable to owners of the Company ----->								
	<----- Non-distributable ----->				----- Distributable ----->				
	Share capital	Share premium	Warrants reserve	Assets Revaluation Reserve	Translation Reserve	Accumulated losses	Total	Non- Controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 01/04/2018</b>	46,552	-	4,109	1,445	199	(32,081)	20,224	(746)	19,478
Foreign currency translation differences for foreign operations	-	-	-	-	34	-	34	8	42
Total comprehensive loss for the period	-	-	-	-	-	(1,488)	(1,488)	(99)	(1,587)
Transaction with owners:									
Issuance of ordinary share:									
- Exercise of warrants 2013/2018	798	-	(252)	-	-	-	546	-	546
<b>At 30/06/2018</b>	<b>47,350</b>	<b>-</b>	<b>3,857</b>	<b>1,445</b>	<b>233</b>	<b>(33,569)</b>	<b>19,316</b>	<b>(837)</b>	<b>18,479</b>
<b>At 01/04/2017</b>	29,322	-	5,149	1,270	360	(26,901)	9,200	(432)	8,768
Foreign currency translation differences for foreign operations	-	-	-	-	(161)	-	(161)	(23)	(184)
Total comprehensive loss for the period	-	-	-	-	-	(5,180)	(5,180)	(290)	(5,470)
Surplus on revaluation of property, plant and equipment	-	-	-	175	-	-	175	-	175
<b>Transaction with owners:</b>									
Issuance of ordinary share:									
- Exercise of warrants 2013/2018	13,945	-	-	-	-	-	13,945	-	13,945
Transfer to share premium for warrants exercised	2,245	-	-	-	-	-	2,245	-	2,245
Effect from adoption of Companies Act 2016	1,040	-	(1,040)	-	-	-	-	-	-
Dissolution of subsidiary	-	-	-	-	-	-	-	(1)	(1)
<b>At 31/03/2018</b>	<b>46,552</b>	<b>-</b>	<b>4,109</b>	<b>1,445</b>	<b>199</b>	<b>(32,081)</b>	<b>20,224</b>	<b>(746)</b>	<b>19,478</b>

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**INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2018****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 30 JUNE 2018**

	<b>AS AT CURRENT FINANCIAL PERIOD ENDED 30-Jun-18 RM'000</b>	<b>(AUDITED) AS AT 31-Mar-18 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(1,589)	(5,406)
Adjustments for:		
Non-cash items	133	1,590
Interest income	(22)	(16)
Interest expense	24	100
Operating loss Before Working Capital Changes	(1,454)	(3,732)
Changes In Working Capital:		
Net change in current assets	(115)	3,500
Net change in current liabilities	(211)	(2,024)
Net Cash Outflow from Operations	(1,780)	(2,256)
Income tax paid	(13)	(149)
Net Operating Cash Flows	(1,793)	(2,405)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	22	16
Proceed from disposal of other investment	178	443
Purchase of intangible assets	-	-
Purchase of property, plant and equipment	(704)	(6,554)
Net Investing Cash Flows	(504)	(6,095)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(24)	(100)
Repayment of bank borrowings	(33)	(127)
Proceed from the exercise warrants 2013/2018	546	2,245
Proceed from issuance of private placement shares	-	13,945
Net Financing Cash Flows	489	15,963
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(1,808)	7,463
Effects of foreign exchange rate changes	42	(184)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL PERIOD</b>	12,581	5,302
<b>CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL PERIOD</b>	10,815	12,581

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**INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2018**

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 30 JUNE 2018 (CONTINUED)**

	<b>AS AT CURRENT FINANCIAL PERIOD ENDED 30-Jun-18 RM'000</b>	<b>(AUDITED) AS AT 31-Mar-18 RM'000</b>
<b>CASH AND BANK BALANCES</b>		
Cash on hand and at banks	8,259	8,025
Deposits with licensed banks	2,556	4,556
Cash and bank balances	<u>10,815</u>	<u>12,581</u>

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### INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2018

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#### **PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134: INTERIM FINANCIAL REPORTING AND BURSA LISTING REQUIREMENTS**

##### **A1 – Accounting Policies and Basis of Preparation**

The interim financial statements are unaudited and have been prepared in compliance with Malaysian Financial Reporting Standard (“MFRS”) No. 134: Interim Financial Reporting and paragraph 9.22 of Bursa Malaysia Berhad’s (Bursa Securities”) ACE Market Listing Requirements (“ACE LR”).

The accounting policies and methods of computations adopted by the Group in these quarterly financial statements are consistent with those adopted in the audited financial statements for the year ended 31 March 2018.

The Group has adopted the following amendments/improvements to MFRSs that are mandatory for the current financial period:

##### New MFRSs

MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers

##### Amendments/Improvements to MFRSs

MFRS 1	First-time adoption of MFRSs
MFRS 2	Share-based payment
MFRS 140	Investment Property

The adoption of the above amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group, and did not result in significant changes to the Group’s existing accounting policies.

##### **A2 – Auditors’ Report on Preceding Audited Financial Statements**

The auditors’ report on the Group’s financial statements for the financial year ended 31 March 2018 was not qualified.

##### **A3 – Seasonal or Cyclicity of Operations**

In general, apart from the Group’s business in Telecommunication industry, the Group’s other businesses are primarily exposed to business cycles of the Electronic Manufacturing, Semiconductor and Automotive industries.

##### **A4 – Unusual Nature and Amount of Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter under review.

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### INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2018

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#### A5 – Changes in Estimates

There were no materials changes in estimates of amounts reported in the prior financial year which may have had a material effect on the current quarter under review.

#### A6 – Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuance and repayment of debts and equity securities during the current quarter under review save for the following:

- (i) Allotment of 4,191,200 units ordinary shares pursuant to the exercise of warrant 2013/2018 in current quarter.

The Company had not engaged in any share buyback scheme or implemented any share cancellations. The Company does not have any shares held as treasury shares.

#### A7 – Dividends

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

#### A8 – Segmental Information

Segmental Information in respect of the Group's business segment is as follows:-

<b>Segments</b>	<b>Products and services</b>
Mobile Services Division	- Provision of mobile messaging gateway solutions and services.
Healthcare Division	- Provide mother and childcare related services such as postnatal and postpartum care, post-delivery confinement care, and aesthetics.
Computing and Electronic Services	- Performing research and development and the provision of e-manufacturing solutions and IT outsourcing service, dealers of computers and its related products.
Others	- Provision of design, development, consulting, marketing supply, installation, testing and commissioning services for environmental friendly renewable energy products, trading of electronic and security products and building materials and investment holding, and the provision of related engineering services.



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**INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2018****A8 – Segmental Information (Continued)****a) Period Ended 30 June 2018**

	<b>Mobile Services</b>	<b>Healthcare Services</b>	<b>Computer Electronic Services</b>	<b>Others</b>	<b>Elimination</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	3,265	34	1,440	5	-	4,744
Inter-segment revenue	-	-	-	-	-	-
	<b>3,265</b>	<b>34</b>	<b>1,440</b>	<b>5</b>	<b>-</b>	<b>4,744</b>
Segment results	(22)	(1,364)	158	(357)	-	(1,585)
Interest Income	1	21	-	1	-	23
Interest Expense	-	-	(24)	-	-	(24)
Loss before tax	<b>(21)</b>	<b>(1,343)</b>	<b>134</b>	<b>(356)</b>	<b>-</b>	<b>(1,586)</b>

**b) Period Ended 30 June 2017**

	<b>Mobile Services</b>	<b>Computer Electronic Services</b>	<b>Others</b>	<b>Elimination</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	2,564	1,436	309	-	4,309
Inter-segment revenue	-	-	-	-	-
	<b>2,564</b>	<b>1,436</b>	<b>309</b>	<b>-</b>	<b>4,309</b>
Segment results	(610)	(102)	(338)	-	(1,050)
Interest Income	5	-	1	-	6
Interest Expense	-	(25)	-	-	(25)
Loss before tax	<b>(605)</b>	<b>(127)</b>	<b>(337)</b>	<b>-</b>	<b>(1,069)</b>

**A9 – Valuation of Property, Plant and Equipment**

There has been no valuation on any property, plant and equipment of the Group during the current quarter under review.

**A10 – Material Subsequent Events**

Save for the disclosure in B7, there was no material event subsequent to the end of the current quarter under review.

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### INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2018

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#### A11 – Changes in Composition of the Group

There was no other change to the composition of the Group during the current quarter under review save for the following:

On 5 June 2018, the Company has incorporated a 100% owned subsidiary known as LYC Senior Living Sdn. Bhd. ("LYCSL"). The share capital of LYCSL is RM1,000 comprising 1,000 ordinary shares. The intended principal activities of LYCSL are to carry on the business as provision of senior nursing home care and related services.

#### A12 –Contingent Liabilities or Contingent Assets

The Directors of the Company are not aware of any other material contingent liabilities or contingent assets that may impact the financial performance of the Group.

### PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD ACE MARKET LISTING REQUIREMENTS

#### B1 – Financial Review for Current Quarter Compared with Preceding Year Corresponding Quarter

	Individual period		Changes %
	Current quarter ended 30-Jun-18 RM'000	Preceding year corresponding quarter ended 30-Jun-17 RM'000	
Revenue	4,744	4,309	10.1%
Loss before tax	(1,589)	(1,069)	48.6%

For the financial period ended 30 June 2018, the Group recorded revenue of RM4.74 million which represents an increase of 10.1% as compared to preceding year corresponding quarter's revenue. The increase was primarily due to higher sales registered from the Mobile Services division.

Despite the higher revenue reported, the Group registered a higher loss before tax of RM1.59 million as compared to a loss before tax of RM1.07 million reported in preceding year corresponding quarter. This is mainly due to the increase in marketing costs incurred to ramp up the sales and to increase the brand awareness of our newly set up postpartum care centre.

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#### PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD ACE MARKET LISTING REQUIREMENTS (CONTINUED)

##### B2 – Comparison with Preceding Quarter’s Results

	Current quarter ended 30-Jun-18 RM’000	Preceding quarter ended 31-Mar-18 RM’000	Changes %
Revenue	4,744	4,346	9.2%
Gross profit	881	844	4.4%
Loss before tax	(1,589)	(2,446)	-35.0%
Loss after tax	(1,587)	(2,514)	-36.9%
Loss attributable to Owners of the Company	(1,488)	(2,570)	-42.1%

The Group’s revenue for the current quarter under review of RM4.74 million recorded an increase of RM0.40 million or 9.2% as compared to the revenue of RM4.35 million in the preceding quarter. The increase in the Group’s revenue was mainly attributable to higher revenue recognised from the Mobile Services and Computer Electronic Services divisions.

The Group recorded lower losses after tax of RM1.59 million as compared to preceding quarter of RM2.45 million. This was due to exceptional provision made in preceding quarter for the impairment loss on goodwill of RM0.82 million arising from a subsidiary in Thailand, inventories write-down of RM0.16 million and provision made for impairment loss on trade and other receivables of RM0.12 million arising from a loss making subsidiary which had temporarily ceased operation.

##### B3 – Current Year Prospects

Moving forward, the Group has diversified its business activities into healthcare services to enhance its prospects. By embarking initially into the mother and child related healthcare services, the Board is of the view that this would provide a platform for the Group to spearhead into other areas of the healthcare sector.

The Group is in the midst of exploring various new healthcare related projects which are currently at various stages of business viability assessments. Notwithstanding, the Group strongly believe that the healthcare segment is an attractive business proposition and offers good growth opportunities for the Group in the long term.

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**INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2018****PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD ACE MARKET LISTING REQUIREMENTS (CONTINUED)****B4 – Profit Forecast**

The Group did not publish any profit forecast in its Prospectus or in any public documents.

**B5 – Loss from operations**

Loss from operations has been arrived at after crediting/ (charging):-

	Current Quarter		Cumulative Quarters	
	30-Jun-18 RM'000	30-Jun-17 RM'000	30-Jun-18 RM'000	30-Jun-17 RM'000
Depreciation	(119)	(66)	(119)	(66)
Amortisation of Intangible Assets	-	(12)	-	(12)
Interest income	22	6	22	6
Interest expenses	(24)	(25)	(24)	(25)
Net reversal/ (allowance) for slow moving inventories	(11)	6	(11)	6
Net unrealised foreign exchange gain/(loss)	(23)	(77)	(23)	(77)
Property, plant and equipment written off	-	(43)	-	(43)

**B6 – Taxation**

	30-Jun-18 Current Quarter RM'000	30-Jun-18 Cumulative Quarters RM'000
Income tax:-		
- Current year		
- Under provision in prior year	-	-
	-	-
Deferred taxation:		
- Reversal of temporary differences	(2)	(2)
	(2)	(2)

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#### **B7 – Corporate Proposals**

Save as disclosed below, there was no other corporate proposal announced or outstanding as at the date of this report.

On 23 March 2017, the Group announced the proposals to undertake the following:

- (i) Proposed diversification of the business of the Group into healthcare services (**“Proposed Diversification”**)
- (ii) Proposed private placement of up to 20% of the share capital of the Company to fund its expansion into this new business offering in conjunction with the Proposed Diversification. (**“Proposed Private Placement”**)

Following Bursa Malaysia’s approval, the shareholders of Mexter Technology Berhad has also approved the Proposed Diversification and Proposed Private Placement respectively at the Extraordinary General Meeting convened on 24 May 2017.

On 13 July 2017, the Group announced that the issue price for the First Tranche of Placement Shares is fixed at RM0.24 per Placement Share pursuant to the Private Placement. The First Tranche of 22,000,000 units of Placement Shares were subsequently issued on 26 July 2017, and total cash proceeds of RM5.28 million were raised. The remaining block of 18,142,800 shares have yet to be taken up.

On 9 October 2017, the Group announced that Bursa Securities had approved the application for an extension of time of 6 months up to 19 April 2018 to complete the Private Placement.

On 4 December 2017, the Group completed its second tranche of the Private Placement, issuing 3,400,000 units of Placement Shares at an issue price of RM0.445 per share, raising RM1.513 million.

On 20 December 2017, the Company completed its final tranche of the Private Placement, issuing 14,900,000 units of Placement Shares at an issue price of RM0.48 per share, raising RM7.15 million.

A total of 40,300,000 million Placement Shares were issued, raising a total of RM13.945 million.

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**INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2018****B7 – Corporate Proposals (Continued)**

Below is the table for the status of utilisation of proceeds raised from the Private Placement as at date of this announcement:

<b>Purpose</b>	<b>Revised Proposed Utilisation <sup>(1)</sup> RM'000</b>	<b>Actual Utilisation RM'000</b>	<b>Reallocation <sup>(2)</sup> RM'000</b>	<b>Remaining Balance RM'000</b>	<b>Intended Timeframe for utilisation</b>
Renovation cost	6,000	6,600	600	-	Completed
Working capital:					
- Salaries	2,200	1,557	-	643	Within 18 months
- Rental #	1,000	718	-	282	Within 18 months
- Operating cost	1,287	1,287	-	-	Completed
Contingencies for future projects/ expansion in healthcare services	2,919	1,007	(600)	1,312	Within 24 month
Estimated expenses for the proposals	539	539	-	-	Completed
<b>Total</b>	<b>13,945</b>	<b>11,708</b>	<b>-</b>	<b>2,237</b>	

Notes:

(1) The revised proposed utilisation is based on announcement made on 24 August 2017 and 26 December 2017.

(2) The reallocation of RM0.60 million from the reduction of contingencies for future projects / expansion in healthcare services is to be utilised for renovation cost due to variation orders.

**B8 – Borrowings**

Group borrowings as at the end of the reporting quarter were as follows:-

	<b>Current RM'000</b>	<b>Non-current RM'000</b>
Hire purchase liabilities (Unsecured)	11	-
Term loan (Secured)	121	1,754
	<u>132</u>	<u>1,754</u>

The Group does not have any foreign borrowing as at the date of this announcement.

**B9 – Material Litigations**

As at the date of this report, the Group is not engaged in any material litigation. The Directors of the Company are not aware of any proceedings pending or threatened against the Group.

**MEXTER TECHNOLOGY BERHAD**

(Company No 647673-A)

(Incorporated in Malaysia)

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**INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2018**

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**B10 – Dividends**

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

**B11 –Earnings per Share**

(a) *Basic earnings per share (“EPS”)*

Basic EPS of the Group is calculated by dividing the profit for the period attributable to ordinary equity holders of Mexter by the weighted average number of ordinary shares in issue during the financial period.

		Current quarter ended		Cumulative quarters ended	
		30-Jun	30-Jun	30-Jun	30-Jun
		2018	2017	2018	2017
Loss for the period attributable to owners of Mexter	(RM'000)	(1,488)	(925)	(1,488)	(925)
Weighted average number of ordinary shares in issue	('000)	262,481	200,714	262,035	200,714
Basic EPS	(sen)	(0.57)	(0.46)	(0.57)	(0.46)

The weighted average number of ordinary shares in issue is determined using the number of days that the specific shares are outstanding in proportion to the total number of days in the corresponding period.

(b) *Diluted EPS*

Diluted earnings per share amounts are calculated by dividing the loss for the period attributable to ordinary equity holders of Mexter by the weighted average number of ordinary shares in issue during the financial period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

		Current quarter ended		Cumulative quarters ended	
		30-Jun	30-Jun	30-Jun	30-Jun
		2018	2017	2018	2017
Weighted average number of ordinary shares for basic EPS	('000)	262,481	200,714	262,035	200,714
Effect of dilution from detachable warrants 2013/2018	('000)	37,106	41,055	37,106	41,055
Weighted average number of ordinary shares for diluted EPS	('000)	299,587	241,769	299,141	241,769
Diluted EPS	(sen)	(0.50)	(0.38)	(0.50)	(0.38)

Dated: 24 August 2018