THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY. All enquiries concerning the Rights Issue with Warrants (as defined herein), which is the subject of this Abridged Prospectus should be addressed to our Share Registrar, ShareWorks Sdn Bhd (229948-U), at No 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL).

This Abridged Prospectus, together with the Notice of Provisional Allotment ("NPA") and Rights Subscription Form ("RSF") are only despatched to our shareholders who have provided our Share Registrar with a registered address in Malaysia and whose names appear on our Record of Depositors not later than 5.00 p.m. on 4 July 2017 ("Entitled Shareholders"). This Abridged Prospectus together with the NPA and RSF, are not intended to be (and will not be) issued, circulated or distributed in any countries or jurisdictions other than Malaysia and the Rights Issue with Warrants will not be made or offered or deemed to be made or offered for purchase or subscription in any countries or jurisdictions other than Malaysia or to persons who are and may be subject to the laws of any countries or jurisdictions other than the laws of Malaysia. No action has been or will be taken to ensure that the Rights Issue with Warrants and the Abridged Prospectus together with the NPA and RSF complies with the laws of any countries or jurisdictions other than the laws of Malaysia. It shall be the sole responsibility of the Entitled Shareholders and their renouncee(s)/transferee(s) (if applicable) who are or may be subject to the laws of any countries or jurisdictions other than the laws of Malaysia to consult their legal or other professional advisers as to whether the acceptance or renunciation (as the case may be) of all or any part of their entitlements to the Rights Issue with Warrants would result in the contravention of any laws of such countries or jurisdictions. Neither we, M&A Securities Sdn Bhd (15017-H) ("M&A Securities") nor our other experts shall accept any responsibility or liability in the event that any acceptance and/or renunciation made by the Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in any countries or jurisdictions in which the Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) are residents.

A copy of this Abridged Prospectus has been registered with the Securities Commission Malaysia ("SC"). The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue with Warrants or assumes responsibility for the correctness of any statement made or opinion or report expressed in the Abridged Prospectus. The SC has not, in any way, considered the merits of the securities being offered for investment. A copy of this Abridged Prospectus, together with the NPA and RSF, has also been lodged with the Registrar of Companies, who takes no responsibility for the contents of these documents.

Approval for the Rights Issue with Warrants has been obtained from our shareholders at the Extraordinary General Meeting ("EGM") held on 30 May 2017. The approval-in-principle has also been obtained from Bursa Malaysia Securities Berhad (635998-W)("Bursa Securities") vide its letter dated 4 May 2017 for the admission of the Warrants (as defined herein) to the Official List of Bursa Securities and the listing of and quotation for the Rights Shares (as defined herein), Warrants and new Orion Shares (as defined herein) to be issued upon exercise of the Warrants, on the ACE Market of Bursa Securities. The Warrants will be admitted to the Official List of Bursa Securities and the listing of and quotation for all the said new securities will commence after, amongst others, receipt of confirmation from Bursa Malaysia Depository Sdn Bhd (165570-W) that all the Central Depository System accounts of the successful Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) have been duly credited and notices of allotment have been despatched to the Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable). Admission of the Warrants to the Official List of Bursa Securities and the listing of all the said new securities on the ACE Market of Bursa Securities are in no way reflective of the merits of the Rights Issue with Warrants.

All the documentation relating to this Rights Issue with Warrants including this Abridged Prospectus, together with the NPA and RSF, have been seen and approved by our Board of Directors and they collectively and individually accept full responsibility for the accuracy of the information given, and confirm that, after having made all reasonable inquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement in these documents false or misleading.

M&A Securities, being our Principal Adviser for this Rights Issue with Warrants, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue with Warrants.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH YOU SHOULD CONSIDER, SEE "RISK FACTORS" AS SET OUT IN SECTION 6 HEREIN.

ORION IXL BERHAD

(Company No. 554979-T)

(Incorporated in Malaysia under the Companies Act, 1965)

RENOUNCEABLE RIGHTS ISSUE OF 465,854,970 NEW ORDINARY SHARES IN ORION ("RIGHTS SHARE(S)") ON THE BASIS OF 7 RIGHTS SHARES FOR EVERY 2 EXISTING SHARES IN ORION IXL BERHAD HELD TOGETHER WITH 232,927,485 FREE DETACHABLE WARRANTS ("WARRANT(S)") ON THE BASIS OF 1 WARRANT FOR EVERY 2 RIGHTS SHARES SUBSCRIBED AT 5.00 P.M. ON 4 JULY 2017 AT AN ISSUE PRICE OF RM0.17 PER RIGHTS SHARE PAYABLE IN FULL UPON ACCEPTANCE

Principal Adviser and Underwriter

M&A SECURITIES SDN BHD (15017-H)

(A Wholly-Owned Subsidiary of Insas Berhad)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIME:

Entitlement Date	:	Tuesday, 4 July 2017, at 5.00 p.m.
Last date and time for sale of provisional allotment of rights	:	Tuesday, 11 July 2017, at 5.00 p.m.
Last date and time for transfer of provisional allotment of rights	:	Friday, 14 July 2017, at 4.00 p.m.
Last date and time for acceptance and payment	:	Wednesday, 19 July 2017, at 5.00 p.m.
Last date and time for excess application and payment	:	Wednesday, 19 July 2017, at 5.00 p.m.

This Abridged Prospectus is dated 4 July 2017

Company No. 554979-T

BURSA SECURITIES HAS APPROVED THE ADMISSION OF THE WARRANTS TO THE OFFICIAL LIST OF BURSA SECURITIES, THE LISTING OF AND QUOTATION FOR THE RIGHTS SHARES, WARRANTS AND THE NEW ORION SHARES TO BE ISSUED ARISING FROM THE EXERCISE OF THE WARRANTS. THE APPROVAL FROM BURSA SECURITIES SHALL NOT BE TAKEN TO INDICATE THAT BURSA SECURITIES RECOMMENDS THE RIGHTS ISSUE WITH WARRANTS.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF OUR COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS ABRIDGED PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS ABRIDGED PROSPECTUS.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

YOU ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE AND MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS ABRIDGED PROSPECTUS ARE DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CAPITAL MARKETS AND SECURITIES ACT, 2007 ("CMSA").

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE WITH WARRANTS FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

THE DELIVERY OF THIS ABRIDGED PROSPECTUS SHALL NOT UNDER ANY CIRCUMSTANCES, CONSTITUTE A REPRESENTATION OR CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF OUR GROUP SINCE THE DATES HEREOF. WE AND OUR ADVISER HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THIS ABRIDGED PROSPECTUS. THIS ABRIDGED PROSPECTUS HAS BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE WITH WARRANTS UNDER THE LAWS OF MALAYSIA.

DEFINITIONS

Except where the context otherwise requires, the following definitions and abbreviations shall apply throughout this Abridged Prospectus, NPA and RSF:

"5D-VWAMP"	:	5 days volume weighted average market price
"12 Months Profit Guarantee"	:	Audited PAT of not less than RM7,500,000 for each Guaranteed 12 Months Period
"Abridged Prospectus"	:	This Abridged Prospectus dated 4 July 2017 issued by our Company
"ACE Market LR"	:	ACE Market Listing Requirements of Bursa Securities
"Acquisition of ASAP"	:	Acquisition by Orion of 100% equity interest in ASAP at the Purchase Consideration
"Act"	:	Companies Act, 2016, as amended from time to time and any re-enactment thereof
"ASAP"	:	ASAP Berhad (812786-H)
"ASAP Shares"	:	Ordinary shares in ASAP
"Board"	:	Board of Directors of the Company
"Bursa Depository"	:	Bursa Malaysia Depository Sdn Bhd (165570-W)
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (635998-W)
"CAGR"	:	Compounded annual growth rate
"CDS"	:	Central Depository System
"CDS Account"	:	A securities account established by Bursa Depository for a depositor pursuant to the Securities Industry (Central Depositories) Act 1991 and the rules of Bursa Depository for the recording of deposits or withdrawal of securities and dealings in such securities by the depositors
"CMMS"	:	Computerised maintenance management system
"CMSA"	:	Capital Markets and Services Act, 2007
"Code"	:	Malaysian Code on Take-overs and Mergers, 2016
"Cumulative Profit Guarantee"	:	Cumulative PAT of not less than RM15,000,000 for 2 consecutive Guaranteed 12 Months Period
"Deed Poll"	:	Deed poll dated 9 June 2017 governing the Warrants
"EBITDA"	:	Earnings before interest, tax, depreciation and amortisation
"EGM"	:	Extraordinary general meeting
"Entitled Shareholders"	:	Our shareholders whose names appear in our Record of Depositors on the Entitlement Date

DEFINITIONS (CONT'D)

"Entitlement Date"	:	4 July 2017 at 5.00 p.m., being the time and date on which the Entitled Shareholders must be registered in our Record of Depositors in order to be entitled to participate in the Rights Issue with Warrants
"EPS"	:	Earnings per share
"Exercise Price"	:	The price of RM0.17 at which 1 Warrant is exercisable into 1 Orion Share, subject to such adjustments as may be allowed under the Deed Poll
"FHCA"	:	FHMH Corporate Advisory Sdn Bhd (774955-D)
"FPE"	:	Financial period(s) ended
"FYE"	:	Financial year(s) ended or ending, as the case may be
"GDP"	:	Gross domestic product
"GP"	:	Gross profit
"Guaranteed 12 Months Period"	:	12 months period calculated starting from the first quarter (each quarter starting either 1st January, 1st April, 1st July or 1st October) after the quarter in which the sale and purchase of the ASAP Shares under the SSA is completed
"ICT"	:	Information and communications technology
"Issue Price"	:	The issue price of RM0.17 per Rights Share
"LAT"	:	Loss after taxation
"LBT"	:	Loss before taxation
"LPD"	:	5 June 2017, being the latest practicable date prior to the printing of this Abridged Prospectus
"LPS"	:	Loss per share
"M&A Securities" or "Underwriter"	:	M&A Securities Sdn Bhd (15017-H)
"Market Day"	:	A day which Bursa Securities is open for trading in securities
"NA"	:	Net assets
"NPA"	:	Notice of Provisional Allotment in relation to the Rights Issue with Warrants
"Orion" or the "Company"	:	Orion IXL Berhad (554979-T)
"Orion Group" or "Group"	:	Orion and its subsidiary
"Orion Shares" or "Shares"	:	Ordinary shares in Orion

DEFINITIONS (CONT'D)

"PAT"	:	Profit after taxation
"PBT"	:	Profit before taxation
"Profit Guarantee"	:	(i) Audited PAT of not less than RM7,500,000 for every 12 months period for 2 consecutive 12 months period; or (ii) Cumulative PAT of not less than RM15,000,000 for 2 consecutive 12 months period, calculated starting from the first quarter (each quarter starting either 1st January, 1st April, 1st July or 1st October) after the quarter in which the sale and purchase of the ASAP Shares under the SSA is completed
"Purchase Consideration"	:	The total cash consideration of RM73,000,000 for the Acquisition of ASAP
"R&D"	:	Research and development
"Record of Depositors"	:	A record of securities holders established and maintained by Bursa Depository under the rules of Bursa Depository
"Rights Issue with Warrants"	:	Renounceable rights issue of 465,854,970 Rights Shares on the basis of 7 Rights Shares for every 2 Orion Shares held together with 232,927,485 Warrants on the basis of 1 Warrant for every 2 Rights Shares subscribed
"Rights Share(s)"	:	465,854,970 new Orion Shares to be issued pursuant to the Rights Issue with Warrants
"RM and sen"	:	Ringgit Malaysia and sen, respectively
"RSF"	:	Rights Subscription Form in relation to the Rights Issue with Warrants
"SC"	:	Securities Commission Malaysia
"Security"	:	The deposit of RM15,000,000 in cash or other securities with the Stakeholder as mutually agreed by Orion and the Vendors as security for the Profit Guarantee
"SSA"	:	Conditional sale and purchase agreement dated 17 October 2016 and as supplemented on 31 March 2017, entered into between Orion and the Vendors for the Acquisition of ASAP
"Stakeholder"	:	A stakeholder to be appointed by Orion to hold the Security
"Undertakings"	:	Irrevocable written undertakings by the Undertaking Shareholders to subscribe in full for their entitlements and to subscribe for or procure the subscription of such number of additional Rights Shares via excess application, amounting to an aggregate of 129,411,000 Rights Shares
"Undertaking Shareholders"	:	Abdul Rani bin Achmed Abdullah and Yahya bin Razali

DEFINITIONS (CONT'D)

"Underwriting"	:	336,443,970 Rights Shares to be underwritten pursuant to the Underwriting Agreement
"Underwriting Agreement"	:	Underwriting agreement dated 13 June 2017 entered into between our Company and the Underwriter in relation to the Underwriting
"USD"	:	American Dollar
"Vendors"	:	The vendors of ASAP, namely Dato' Paduka Mohamad Sharaff bin Haji Mohd Shariff, Prabuddha Kumar Pronob Chakravertty and Lilibeth Gamboa Belinario
"Warrants"	:	232,927,485 new free detachable warrants to be issued pursuant to the Rights Issue with Warrants

References to "we", "us", "our" and "ourselves" are to our Company and save where the context otherwise requires, our subsidiaries. All references to "you" in this Abridged Prospectus are to our Entitled Shareholders.

Words incorporating the singular shall, where applicable, include the plural and *vice versa* and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Abridged Prospectus to any statute is a reference to that statute as for the time being amended or re-enacted. Any reference to a time of day in this Abridged Prospectus shall be a reference to Malaysian time, unless otherwise specified.

TABLE OF CONTENTS

			Page
CORPORATE DIRECTORY			**viii**
LETTER TO OUR SHAREHOLDERS CONTAINING:			
1.	**INTRODUCTION**		**1**
2.	**DETAILS OF THE RIGHTS ISSUE WITH WARRANTS**		**3**
	2.1	Details of the Rights Issue with Warrants	3
	2.2	Basis of determining the Issue Price and the Exercise Price	4
	2.3	Ranking of the Rights Shares and the new Orion Shares to be issued pursuant to the exercise of the Warrants	4
	2.4	Salient terms of the Warrants	5
	2.5	Undertaking by shareholders and underwriting arrangement	5
	2.6	Details of other corporate exercises	6
3.	**RATIONALE FOR THE RIGHTS ISSUE WITH WARRANTS**		**6**
4.	**UTILISATION OF PROCEEDS**		**7**
	4.1	Utilisation of proceeds from the Rights Shares	7
	4.2	Utilisation of proceeds from the exercise of Warrants	8
5.	**ACQUISITION OF ASAP**		**8**
	5.1	Rationale for the Acquisition of ASAP	9
	5.2	Basis and justification of the Purchase Consideration	11
	5.3	Liabilities to be assumed and additional financial commitments pursuant to the Acquisition of ASAP	13
6.	**RISK FACTORS**		**13**
	6.1	Risks relating to the Acquisition of ASAP	13
	6.2	Risks relating to our Group and the industry we operate in	15
	6.3	Risks relating to the Rights Issue with Warrants	16
7.	**INDUSTRY OVERVIEW AND FUTURE PROSPECTS**		**17**
	7.1	Overview of the Malaysian economy	17
	7.2	Overview of the ICT industry in Malaysia	18
	7.3	Prospects of our Group	19
8.	**FINANCIAL EFFECTS**		**21**
	8.1	Share capital	21
	8.2	Substantial shareholders' shareholdings	22
	8.3	NA and gearing	23
	8.4	Earnings and EPS	24
	8.5	Dividend	25
	8.6	Convertible securities	25

TABLE OF CONTENTS (CONT'D)

		Page
9.	**WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS**	**25**
	9.1 Working capital	25
	9.2 Borrowings	25
	9.3 Material commitments	25
	9.4 Contingent liabilities	25
10.	**INSTRUCTIONS FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION**	**25**
	10.1 General	25
	10.2 NPA	26
	10.3 Last date and time of acceptance and payment	26
	10.4 Procedure for full acceptance and payment	26
	10.5 Procedure for part acceptance	28
	10.6 Procedure for sale or transfer of provisional allotment of Rights Shares with Warrants	28
	10.7 Procedure for acceptance by renouncee(s)/transferee(s)	29
	10.8 Procedure for excess application	29
	10.9 Form of issuance	30
	10.10 Laws of foreign jurisdictions	31
11.	**TERMS AND CONDITIONS**	**32**
12.	**FURTHER INFORMATION**	**33**
APPENDICES		
I.	**CERTIFIED EXTRACT OF THE ORDINARY RESOLUTION PERTAINING TO THE RIGHTS ISSUE WITH WARRANTS PASSED AT OUR EGM HELD ON 30 MAY 2017**	**34**
II.	**SALIENT TERMS OF THE WARRANTS**	**37**
III.	**INFORMATION ON OUR GROUP**	**40**
IV.	**INFORMATION ON ASAP**	**45**
V.	**SALIENT TERMS OF THE SSA**	**50**
VI.	**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH NOTES AND THE REPORTING ACCOUNTANTS' LETTER THEREON**	**54**
VII.	**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 DECEMBER 2016 TOGETHER WITH THE AUDITORS' REPORT THEREON**	**75**
VIII.	**UNAUDITED CONSOLIDATED QUARTERLY RESULTS OF OUR GROUP FOR THE 3-MONTH FPE 31 MARCH 2017**	**146**

TABLE OF CONTENTS (CONT'D)

		Page
IX.	ACCOUNTANTS' REPORT ON ASAP	158
X.	EXECUTIVE SUMMARY OF THE INDEPENDENT MARKET RESEARCH REPORT	221
XI.	INDEPENDENT FAIRNESS OPINION LETTER	247
XII.	DIRECTORS' REPORT	258
XIII.	ADDITIONAL INFORMATION	259

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CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name (Designation)	Age	Address	Nationality	Profession
Dato' Elias bin Abdullah Ng *(Non-Independent Non-Executive Chairman)*	61	No. 3, Jalan Sultan Sir Alaeddin Suleiman Shah Satu 9/5A 40000 Shah Alam Selangor Darul Ehsan	Malaysian	Businessman
Abdul Rani bin Achmed Abdullah *(Chief Executive Officer / Non-Independent Executive Director)*	51	33, Jalan UP4/2 Ukay Perdana 68000 Ampang Selangor Darul Ehsan	Malaysian	Director
Dato' Mohamed Ridzuan bin Nor Md *(Non-Independent Executive Director)*	36	No. 45, Jalan Setiajaya Damansara Heights 50490 Kuala Lumpur Wilayah Persekutuan (KL)	Malaysian	Director
Tang Luan Kang *(Non-Independent Executive Director)*	38	No. 36, Jalan BP 11 Taman Bukit Permata 68100 Batu Caves Selangor Darul Ehsan	Malaysian	Director
Adnan bin Zainol *(Independent Non-Executive Director)*	63	No. 122, Jalan Rahim Kajai Taman Tun Dr. Ismail 60000 Kuala Lumpur Wilayah Persekutuan (KL)	Malaysian	Director
Rahimi bin Ramli *(Independent Non-Executive Director)*	47	No. 52, Jalan Pinggiran USJ 2/4 Taman Pinggiran USJ 47610 Subang Jaya Selangor Darul Ehsan	Malaysian	Accountant
Yahya bin Razali *(Independent Non-Executive Director)*	61	No. 4, Jalan SS 18/2C 47300 Petaling Jaya Selangor Darul Ehsan	Malaysian	Director

AUDIT COMMITTEE

Name	Designation	Directorship
Rahimi bin Ramli	Chairman	Independent Non-Executive Director
Dato' Elias bin Abdullah Ng	Member	Non-Independent Non-Executive Chairman
Adnan bin Zainol	Member	Independent Non-Executive Director

CORPORATE DIRECTORY (CONT'D)

COMPANY SECRETARY	:	Wong Yuet Chyn (MAICSA 7047163) No. 2-1, Jalan Sri Hartamas 8 Sri Hartamas 50480 Kuala Lumpur Wilayah Persekutuan (KL) Telephone number: 03-6201 1120
REGISTERED OFFICE	:	No. 2-1, Jalan Sri Hartamas 8 Sri Hartamas 50480 Kuala Lumpur Wilayah Persekutuan (KL) Telephone number: 03-6201 1120 Fax number: 03-6201 3121
HEAD /MANAGEMENT OFFICE	:	Block D-G-1 UPM-MTDC Technology Centre Three (TIC III) Lebuh Silikon Universiti Putra Malaysia 43400 Serdang Selangor Darul Ehsan Telephone number: 03-8959 3173 Fax number: 03-8959 3174 Website: www.orionixlholding.com Email: info@cworks.com.my
PRINCIPAL BANKER	:	RHB Bank Berhad (6171-M) Ground Floor, RHB Center 426, Jalan Tun Razak 50400 Kuala Lumpur Wilayah Persekutuan (KL) Telephone number: 03-9281 3030
AUDITORS AND REPORTING ACCOUNTANTS	:	Ecovis AHL PLT (AF001825) No 9-3, Jalan 109F Plaza Danau 2, Taman Danau Desa 58100 Kuala Lumpur Wilayah Persekutuan (KL) Telephone number: 03-7981 1799
SHARE REGISTRAR	:	ShareWorks Sdn Bhd (229948-U) No. 2-1, Jalan Sri Hartamas 8 Sri Hartamas 50480 Kuala Lumpur Wilayah Persekutuan (KL) Telephone number: 03-6201 1120

CORPORATE DIRECTORY (CONT'D)

INDEPENDENT MARKET RESEARCHER	:	Protégé Associates Sdn Bhd (675767-H) Suite C-06-06, Plaza Mont' Kiara 2, Jalan Kiara Mont' Kiara 50480 Kuala Lumpur Wilayah Persekutuan (KL) Telephone number: 03-6201 9301
INDEPENDENT ADVISER	:	FHMH Corporate Advisory Sdn Bhd (774955-D) Level 10, Tower 1, Avenue 5 Bangsar South City 59200 Kuala Lumpur Wilayah Persekutuan (KL) Telephone number: 03-2297 1150
SOLICITORS FOR OUR RIGHTS ISSUE WITH WARRANTS	:	Deol & Gill Suite 19-03-03, 3rd Floor Wisma Tune No. 19, Lorong Dungun Damansara Heights 50490 Kuala Lumpur Wilayah Persekutuan (KL) Telephone number: 03-2095 9980
PRINCIPAL ADVISER AND UNDERWRITER	:	M&A Securities Sdn Bhd (15017-H) No. 45 & 47-11, The Boulevard Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Wilayah Persekutuan (KL) Telephone number: 03-2284 2911
STOCK EXCHANGE LISTING	:	ACE Market of Bursa Securities

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ORION IXL BERHAD
(Company No. 554979-T)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office:

No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan (KL)

4 July 2017

Board of Directors

Dato' Elias bin Abdullah Ng *(Non-Independent Non-Executive Chairman)*
Abdul Rani bin Achmed Abdullah *(Chief Executive Officer / Executive Director)*
Dato' Mohamed Ridzuan bin Nor Md *(Executive Director)*
Tang Luan Kang *(Executive Director)*
Adnan bin Zainol *(Independent Non-Executive Director)*
Rahimi bin Ramli *(Independent Non-Executive Director)*
Yahya bin Razali *(Independent Non-Executive Director)*

To: Our Entitled Shareholders

Dear Sir / Madam,

RENOUNCEABLE RIGHTS ISSUE OF 465,854,970 RIGHTS SHARES ON THE BASIS OF 7 RIGHTS SHARES FOR EVERY 2 ORION SHARES HELD TOGETHER WITH 232,927,485 WARRANTS ON THE BASIS OF 1 WARRANT FOR EVERY 2 RIGHTS SHARES SUBSCRIBED AT 5.00 P.M. ON 4 JULY 2017 AT AN ISSUE PRICE OF RM0.17 PER RIGHTS SHARE PAYABLE IN FULL UPON ACCEPTANCE

1. INTRODUCTION

The shareholders of Orion had, at an EGM held on 30 May 2017, approved the Acquisition of ASAP and the Rights Issue with Warrants. A certified extract of the resolution in connection with the Rights Issue with Warrants which were passed at the said EGM is set out in **Appendix I** of this Abridged Prospectus.

Bursa Securities had vide its letter dated 4 May 2017 approved the following:

(i) Admission to the Official List of Bursa Securities and the listing of and quotation for 232,927,485 Warrants; and

(ii) Listing of and quotation for:

   (a) 465,854,970 Rights Shares; and

   (b) 232,927,485 new Orion Shares to be issued arising from the exercise of the Warrants.

The abovesaid Bursa Securities' approval-in-principle is subject to the following conditions:

No.	Conditions	Status of compliance
1.	Orion and M&A Securities to fully comply with the relevant provisions under the ACE Market LR pertaining to the implementation of the Rights Issue with Warrants.	To be complied
2.	Orion and M&A Securities to inform Bursa Securities upon the completion of the Acquisition of ASAP and Rights Issue with Warrants.	To be complied
3.	Orion to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Rights Issue with Warrants is completed.	To be complied
4.	Orion to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Warrants as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied
5.	To incorporate Bursa Securities' comments made on the circular to shareholders.	Complied

On 1 June 2017, M&A Securities, on our behalf, announced that the issue price for the Rights Shares had been fixed at RM0.17 per Rights Share, and the exercise price of the Warrants had been fixed at RM0.17 per Warrant.

On 15 June 2017, M&A Securities, on our behalf, announced the Entitlement Date and the other relevant dates pertaining to the Rights Issue with Warrants.

The official listing of and quotation for the Rights Shares and Warrants will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS Accounts of the Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) have been duly credited with the Rights Shares and Warrants allotted to them and notices of allotment have been despatched to them.

No person is authorised to give any information or make any representation not contained herein in connection with the Rights Issue with Warrants and if given or made, such information or representation must not be relied upon as having been authorised by M&A Securities or us.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

2. DETAILS OF THE RIGHTS ISSUE WITH WARRANTS

2.1 Details of the Rights Issue with Warrants

The Rights Issue with Warrants involves a renounceable rights issue of 465,854,970 Rights Shares together with 232,927,485 Warrants on the basis of 7 Rights Shares for every 2 Orion Shares held on the Entitlement Date together with 1 free Warrant for every 2 Rights Shares subscribed.

The Rights Issue with Warrants is based on the existing issued share capital of our Company as at the LPD of RM13,310,142 comprising 133,101,420 Shares.

Our Board confirms that, upon the completion of the Rights Issue with Warrants, our Company shall be in compliance with Rule 6.51 of the ACE Market LR, which provides that the number of new Orion Shares which arises from all outstanding warrants, when exercised, does not exceed 50% of the share capital of our Company.

The Rights Shares together with the Warrants will be offered to the Entitled Shareholders. The Warrants shall only be issued for free to each Entitled Shareholder and/or their renouncee(s)/transferee(s) (if applicable) who subscribes for the Rights Shares pursuant to the Rights Issue with Warrants.

The Rights Issue with Warrants is renounceable in full or in part. Accordingly, Entitled Shareholders can subscribe for and/or renounce their entitlements to the Rights Shares in full or in part. The Rights Shares and the Warrants are not separately renounceable. The Warrants will be immediately detached from the Rights Shares upon issuance and will be traded separately. The renunciation of the Rights Shares by the Entitled Shareholders will accordingly entail the renunciation of the Warrants to be issued together with the Rights Shares pursuant to the Rights Issue with Warrants. However, if the Entitled Shareholder decides to accept only part of his Rights Shares entitlement, he shall be entitled to the Warrants in proportion to the Rights Shares for which he has accepted.

The Rights Shares with Warrants will be provisionally allotted to Entitled Shareholder(s) and/or their renouncee(s)/transferee(s). In determining shareholders' entitlements under the Rights Issue with Warrants, fractional Rights Shares arising from the Rights Issue with Warrants if any, will be disregarded and dealt with in a fair and equitable manner and on such terms and conditions as our Board shall in its discretion deems fit or expedient, in order to minimise the incidence of odd lots as well as in the best interest of our Company.

Any unsubscribed Rights Shares will be offered to the other Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) under excess applications. It is the intention of our Board to allocate the excess Rights Shares with Warrants in a fair and equitable manner and on such basis as it may deem fit or expedient or in the best interest of our Company to be determined by our Board, in a manner as disclosed under Section 10.8 herein.

Any dealing in the Rights Shares and Warrants, which are prescribed securities under the CDS, will be subject to the provisions of the Securities Industry (Central Depositories) Act, 1991, the Securities Industry (Central Depositories) (Amendment) Act, 1998, the Rules of Bursa Depository and any other relevant legislation. Accordingly, upon allotment and issuance by our Company, the Rights Shares with Warrants will be credited directly into the respective CDS Accounts of the Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) who have successfully subscribed for such Rights Shares and Warrants. No physical certificates will be issued but notices of allotment will be despatched to the successful applicants.

You will find enclosed in this Abridged Prospectus, an NPA notifying you of the crediting of such securities into your CDS Account and an RSF to enable you to subscribe for the Rights Shares with Warrants provisionally allotted to you, as well as to apply for excess Rights Shares with Warrants if you choose to do so.

The notice of allotment will be despatched to the Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) within 8 Market Days from the last date of acceptance and payment for the Rights Shares with Warrants. The Rights Shares and Warrants will then be quoted on the ACE Market of Bursa Securities within 2 Market Days after the application for quotation is made to Bursa Securities.

2.2 Basis of determining the Issue Price and the Exercise Price

(i) Issue Price

Our Board had fixed the Issue Price at RM0.17 per Rights Share after taking into consideration the following:

(a) the 5D-VWAMP of Orion Shares up to and inclusive of 31 May 2017 of RM0.3705, being the market day immediately preceding the price-fixing date for the Rights Shares on 1 June 2017; and

(b) the proceeds to be raised as set out in Section 4 of this Abridged Prospectus.

The Issue Price represents:

(a) a discount of approximately 54.1% from the 5D-VWAMP of Orion Shares up to and inclusive of 31 May 2017 of RM0.3705 per Share, being the market day immediately preceding the price-fixing date on 1 June 2017; and

(b) a discount of approximately 15.9% to the theoretical ex-all price of Orion Shares of RM0.2021, based on the 5D-VWAMP up to and inclusive of 31 May 2017 of RM0.3705 per Share.

(ii) Exercise Price

Our Board had fixed the Exercise Price at RM0.17 per Warrant after taking into consideration the theoretical ex-all price of Orion Shares of RM0.2021, calculated based on the 5D-VWAMP up to and including 31 May 2017 of RM0.3705.

The Exercise Price represents:

(a) a discount of approximately 54.1% from the 5D-VWAMP of Orion Shares up to and inclusive of 31 May 2017 of RM0.3705 per Share, being the market day immediately preceding the price-fixing date on 1 June 2017; and

(b) a discount of approximately 15.9% to the theoretical ex-all price of Orion Shares of RM0.2021 based on the 5D-VWAMP up to and inclusive of 31 May 2017 of RM0.3705 per Share.

2.3 Ranking of the Rights Shares and the new Orion Shares to be issued pursuant to the exercise of the Warrants

The Rights Shares shall, upon allotment and issue, rank equally in all respects with the then existing Orion Shares in issue, save and except that they will not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to our Shareholders, the entitlement date of which is prior to the date of allotment of the Rights Shares.

The new Orion Shares to be issued pursuant to exercise of the Warrants, shall upon allotment and issue, rank equally in all respects with the then existing Orion Shares, save and except that they will not be entitled to any dividends, rights, allotments and/or distributions which may be declared, made or paid, the entitlement date of which is prior to the date of the allotment of the said new Orion Shares.

2.4 Salient terms of the Warrants

Please refer to **Appendix II** of this Abridged Prospectus for the salient terms of the Warrants.

2.5 Undertaking by shareholders and underwriting arrangement

2.5.1 Undertaking by shareholders

The Rights Issue with Warrants will be implemented on a full subscription basis based on the funding requirements of our Group. As such, our Company has obtained irrevocable written undertakings from the Undertaking Shareholders who are also our directors, to subscribe in full for their entitlements and to subscribe for or procure the subscription of such number of additional Rights Shares via excess application amounting to an aggregate of 129,411,000 Rights Shares.

	Shareholdings as at the LPD		Entitlements under the Rights Issue with Warrants		Undertaking to subscribe for excess Rights Shares	Total no. of Rights Shares to be subscribed	
Name	**No. of Shares**	**(1)%**	**No. of Rights Shares**	**(2)%**	**No. of Rights Shares**		**(2)%**
Abdul Rani bin Achmed Abdullah	285,072	0.21	997,752	0.21	40,178,248	41,176,000	8.84
Yahya bin Razali	1,001,000	0.75	3,503,500	0.75	84,731,500	88,235,000	18.94
	1,286,072	**0.97**	**4,501,252**	**0.97**	**124,909,748**	**129,411,000**	**27.78**

Note:

(1) Based on 133,101,420 issued Shares of the Company as at the LPD.

(2) Based on the total number of 465,854,970 Rights Shares offered under the Rights Issue with Warrants.

The Undertaking Shareholders have confirmed that they have sufficient financial resources to subscribe for the Rights Shares pursuant to the Undertakings and the adequacy of their financial resources to subscribe for the said Rights Shares has been verified by M&A Securities.

Our Company confirms that the Undertakings will not give rise to any consequences of mandatory offer obligation pursuant to the Code immediately after the Rights Issue with Warrants.

In view that the Rights Issue with Warrants will be implemented on a full subscription basis, the remaining 336,443,970 Rights Shares where no irrevocable undertaking to subscribe by shareholders have been received, shall be underwritten.

2.5.2 Underwriting arrangement

On 13 June 2017, our Company entered into the Underwriting Agreement with the Underwriter to underwrite 336,443,970 Rights Shares valued at RM57.2 million (representing 72.22% of the total issue size under the Rights Issue with Warrants), at an underwriting commission of 3.0% of the total value of the Rights Shares, subject to the terms and conditions of the Underwriting Agreement.

The underwriting commission and all relevant costs in relation to the underwriting arrangement will be borne by our Company.

2.6 Details of other corporate exercises

As at the LPD, save for the Acquisition of ASAP and the Rights Issue with Warrants, our Board confirms that there is no other outstanding corporate exercise which we intend to undertake, which has been announced but pending completion.

3. RATIONALE FOR THE RIGHTS ISSUE WITH WARRANTS

The Rights Issue with Warrants is undertaken to finance, amongst others, the Acquisition of ASAP, which is expected to contribute positively to the future performance of our Group. Please refer to Section 5.1 for further details on the rationale for the Acquisition of ASAP.

After due consideration of the various methods of fund-raising available, our Board is of the view that the Rights Issue with Warrants is the most appropriate means of fund raising for our Company as it:

(i) enables our Company to raise the necessary funds required without incurring additional interest cost as compared to bank borrowings;

(ii) provides an opportunity for our existing shareholders to further participate in the equity and the future prospects and growth of our Company;

(iii) provides our shareholders with the option to further participate in the equity of our Company at a pre-determined price via the Warrants attached to the Rights Shares which are expected to enhance the attractiveness of the Rights Shares, enable them to benefit from the future growth of our Company and any potential capital appreciation of the Warrants;

(iv) will strengthen our Company's financial position with enhanced shareholders' funds;

(v) will involve the issuance of new Orion Shares without diluting the existing shareholders' equity interest assuming all Entitled Shareholders fully subscribe for their respective entitlements and exercise in full their Warrants subsequently. The Undertakings allow Abdul Rani bin Achmed Abdullah and Yahya bin Razali, our Company's directors and shareholders to extend their support for the Rights Issue with Warrants which will facilitate the Company to raise the necessary funds for the Acquisition of ASAP; and

(vi) will provide our Company with additional capital when the Warrants are exercised in the future. The exercise of the Warrants will allow our Company to raise fresh proceeds without incurring additional financing cost and minimise any potential cash outflow in respect of interest servicing.

4. UTILISATION OF PROCEEDS

4.1 Utilisation of proceeds from the Rights Shares

Based on the issue price of RM0.17 per Rights Share, our Company is expected to raise the following gross proceeds:

Details	RM'000	%	Notes	Expected time frame for utilisation of proceeds after the listing of the Rights Shares
Purchase Consideration to be paid to the Vendors	73,000	92.2	(1)	Within 1 month
Working capital	3,495	4.4	(2)	Within 12 months
Estimated expenses in relation to the Acquisition of ASAP and Rights Issue with Warrants	2,700	3.4	(3)	Within 1 month
Total estimated proceeds	**79,195**	**100.0**		

Notes:

(1) The proceeds are to be used as settlement of the Purchase Consideration. Please refer to Section 5 of this Abridged Prospectus for details of the Acquisition of ASAP.

(2) Our Company proposes to utilise the proceeds for working capital purposes, which includes payment of operating and administration expenses such as salaries and office overheads deemed necessary for the business operations of the enlarged Orion Group after the Acquisition of ASAP. The breakdown of each working capital component has not yet been determined at this point in time, but is expected to be utilised as and when the need arises.

(3) The estimated expenses of RM2.70 million for the Acquisition of ASAP and Rights Issue with Warrants comprises the following:

Estimated expenses	RM'000	%
Underwriting fees	1,750	63.0
Professional fees for, amongst others, our Principal Adviser, Solicitors, Reporting Accountants, Independent Adviser and Independent Market Researcher	750	27.8
Fees payable to the authorities	50	1.8
Printing, advertising fees, goods and services taxes and other incidental or related expenses in connection with the Acquisition of ASAP and the Rights Issue with Warrants	200	7.4
Total	**2,700**	**100.0**

Any variance in the actual expenses incurred will be adjusted accordingly against the amount allocated for working capital.

Pending utilisation of the proceeds from the Rights Issue with Warrants for the above purpose, the proceeds will be placed in deposits with financial institutions or short-term money market instruments. The interest derived from the deposits with financial institutions or any gains arising from the short-term money market instruments will be used as additional working capital of our Group.

4.2 Utilisation of proceeds from the exercise of Warrants

Proceeds potentially arising from any exercise of Warrants in the future will be dependent on the actual number of Warrants exercised during the tenure of the Warrants. As such, any proceeds raised from the exercise of Warrants in the future will be utilised for capital expenditure, investment opportunities and/or working capital of our Group. Our Board has yet to determine the exact allocation on the utilisation categories.

5. ACQUISITION OF ASAP

On 17 October 2016, our Company entered into the SSA for the acquisition of the entire equity interests in ASAP. Concurrently, M&A Securities had on the same day, on behalf of our Board, announced that our Company proposes to undertake a rights issue of 266,202,840 new Shares together with up to 133,101,420 free detachable warrants at an indicative issue price of RM0.17 per Rights Share on the basis of 2 Rights Shares for every existing Orion Share held at an entitlement date to be determined later together with 1 free Warrant for every 2 Rights Share subscribed, increase in our authorised share capital and amendments to our Memorandum and Articles of Association together with the Acquisition of ASAP.

Subsequently on 31 March 2017, our Company entered into the supplemental SSA as our Company and the Vendors have mutually agreed to amend the mode of satisfaction of the Purchase Consideration to be satisfied entirely in cash. The terms of the Rights Issue with Warrants were also amended to reflect the above change and to reflect the amendments arising from the new Act which came into effect on 31 January 2017. Under the new Act, the increase in authorised share capital and amendments to our Memorandum and Articles of Association were no longer required.

The Purchase Consideration shall be allocated to the Vendors in the following manner:

Vendors	No. of ASAP Shares to be acquired by Orion	Cash consideration (RM)
Dato' Paduka Mohamad Sharaff bin Haji Mohd Shariff	600,000	43,000,000
Prabuddha Kumar Pronob Chakravertty	200,002	15,000,000
Lilibeth Gamboa Belinario	199,998	15,000,000
Total	**1,000,000**	**73,000,000**

The ASAP Shares shall be acquired free from all encumbrances and together with all rights and benefits attaching thereto. Upon completion of the acquisition, ASAP will become our wholly-owned subsidiary.

Our Group is principally involved in the provision of CMMS, which is a software solution used for preventive maintenance of assets, generally applied to building management such as lighting and wiring checking, or outdoor components such as tension cable maintenance.

ASAP is also an ICT solutions provider and its primary software solution is its asset and facility management system, which essentially falls within the CMMS market space. ASAP's solutions have been catered mostly to moveable assets such as furniture and IT equipment such as laptop computers, office equipment, machines and vehicles. A comparison between our Group and ASAP's asset and facility management system is set out in Section 5.1 of this Abridged Prospectus.

The Vendors have provided a profit guarantee that ASAP will generate:

(i) A PAT of not less than RM7,500,000 for every 12 months period for 2 consecutive 12 months period; or

(ii) A cumulative PAT of not less than RM15,000,000 for 2 consecutive 12 months periods;

calculated starting from the first quarter (each quarter starting either 1st January, 1st April, 1st July or 1st October) after the quarter in which the sale and purchase of the ASAP Shares under the SSA is completed. Accordingly, the Vendors will place the Security with the Stakeholder to be progressively released to the Vendors over the 2 Guaranteed 12 Months Period. Further details of the Profit Guarantee are set out in **Appendix V** of this Abridged Prospectus.

For further details of the Acquisition of ASAP, please refer to our circular to shareholders dated 15 May 2017. Further information on ASAP is set out in **Appendix IV** of this Abridged Prospectus.

5.1 Rationale for the Acquisition of ASAP

We have been recording losses since FYE 31 December 2013. The Acquisition of ASAP was undertaken as a step to improve our Group's financial condition after sustaining losses for several years.

ASAP was identified as a suitable acquisition target considering its profitable business model in the CMMS market. The Acquisition of ASAP is an opportunity to further expand our earnings stream and market share in the CMMS business.

As both our Group and ASAP provide solutions of similar nature, the Acquisition of ASAP will allow our Group and ASAP to explore the potential of harnessing each other's technology, expertise and client base. We aim to integrate both Orion's and ASAP's solutions to increase our competitiveness. A comparison between our Group's CMMS and ASAP's asset and facility management system is as follows:

	Orion Group	**ASAP**
Name of software solution	CWorks CMMS	Asset and facility management system
Function	CWorks CMMS is a preventive maintenance software which is designed to meet an entity's needs of maintenance operations with functionalities such as asset management, work management, preventive maintenance management and material management. Orion's solution has generally been applied to building management such as lighting and wiring checking, or outdoor components such as tension cable maintenance.	ASAP's solution helps to manage, monitor and maintain assets of an entity. It may apply to assets such as buildings, vehicles, machinery, computers and furniture. The solution uses a systematic process of deploying, operating, maintaining, upgrading and disposing of assets cost-effectively. ASAP's solutions have been catered mostly to moveable assets such as furniture and IT equipment such as laptop computers, office equipment, machines and vehicles.

	Orion Group	ASAP
Main features	• Scheduling preventive maintenance, either metered based scheduling, or time based scheduling – Users are sent reminders to maintain their assets either after certain amount of time or after certain measurements in a meter. • Generate preventive maintenance work orders – Users are automatically asked to send work orders for maintenance of their asset. • Materials module to ensure adequate maintenance spare parts, suggest and originating the purchase of required repair parts – Users are automatically asked to replace parts or modules for maintenance. • Checklist attachment – Creates a task checklist library and attach them to any preventive maintenance schedule. • Tracking costs of maintaining individual equipment – Monitors the extent of maintenance costs spent and to be spent on equipment. • Maintaining asset registry and repair database and asset warranty tracking – A database is produced to keep maintenance, repairs and warranty records for all assets.	• Preventive maintenance and corrective maintenance – Users are timely informed to send assets for maintenance or repair when assets are faulty. • Service order management – Users are prompted to send scheduled service orders. • Parts management – A system to handle the use, replacement and ordering of parts. • Cost tracking – A system that monitors the expenses required, spent and to be spent on assets. • A database is maintained, keeping track of important assets particulars such as asset registration, asset depreciation, asset lease, asset movement, asset barcode, asset disposal and asset audit.

In addition to ASAP's asset and facility management system, ASAP is also involved in provision of other software solutions such as monitoring of applications and performance systems ("MAPS"), helpdesk, contract management and project management.

The enlarged Group would be able to extract greater efficiency and potential cost savings in terms of combined research and development activities and collaborative marketing efforts by pooling of resources of both companies, thereby translating to improved margins. These benefits are further elaborated together with the prospects of our Group set out under Section 7.3 of this Abridged Prospectus.

5.2 Basis and justification of the Purchase Consideration

The Purchase Consideration was arrived at on a willing-buyer willing-seller basis and taking into account the following:

(i) ASAP's audited NA of RM2.59 million as at 30 June 2016 (after taking into consideration RM5.00 million dividend paid for FYE 30 June 2016);

(ii) ASAP's audited PAT for the FYE 30 June 2016 of RM5.85 million;

(iii) The Profit Guarantee; and

(iv) The future earnings prospects of ASAP and the enlarged Orion Group.

For the purpose of assessing the reasonableness of the Purchase Consideration, reference is made to the valuation statistics of listed companies on Bursa Securities with principal activities that are considered broadly comparable to the business of ASAP ("Comparable Companies") to obtain an indication of the current market expectation with regards to the implied value of ASAP. The Comparable Companies were selected after taking into consideration the following criteria:

(i) more than 51% of its revenues are derived from software development, which will be similar to that of ASAP's principal activities;

(ii) profitable publicly listed companies in Malaysia; and

(iii) market capitalisation less than RM500.0 million.

In arriving at the valuation statistics, the following valuation multiples are used:

Valuation ratio	General description
Price-to-earnings Multiple ("PE Multiple")	PE Multiple illustrates the ratio of the market value of a company relative to its earnings.
Enterprise Value ("EV") /EBITDA	"EV/EBITDA" or "Enterprise Multiple" illustrates the ratio of a company's enterprise value relative to its earnings before interest, tax, depreciation and amortisation. Enterprise value is the sum of a company's market capitalisation, preferred equity, minority interest, short and long term debt less its cash and cash equivalents.

(i) Comparable Companies

The table below sets out the valuation statistics of the Comparable Companies and ASAP:

Comparable Companies	Principal Activities	Market Capitalisation (RM'mil)	PE Multiple (times)	EV/EBITDA (times)
N2N Connect Berhad	R&D of software packages. Provides design, programming, and consultancy, as well as related services	368.29	34.73	15.57

Comparable Companies	Principal Activities	Market Capitalisation (RM'mil)	PE Multiple (times)	EV/EBITDA (times)
Rexit Berhad	Provides web-based solutions. Researches, designs, develops, and sells application software solutions	150.10	21.36	12.18
Systech Berhad	Design, R&D, customisation, and implementation of web-based solutions	94.82	38.94	27.63
Willowglen MSC Berhad	Research, design, development, engineering, supply, sale, implementation, and maintenance of computer-based control systems	355.26	17.20	12.39
Minimum			17.20	12.18
Maximum			38.94	27.63
Simple Average			28.06	16.94
ASAP – based on FYE 30 June 2016 financial results			**(1)12.48**	**(2)12.20**
ASAP – based on 12 Months Profit Guarantee			**(3)9.73**	**N/A**

(Source: FHCA letter dated 28 June 2017)

Notes:

(1) Calculated based on the Purchase Consideration of RM73.00 million and ASAP's audited PAT for the FYE 30 June 2016 of RM5.85 million.

(2) Calculated based on the Purchase Consideration of RM73.00 million and total debt of RM0.38 million less cash of RM0.08 million and ASAP's audited EBITDA for the FYE 30 June 2016 of RM6.01 million.

(3) Calculated based on the Purchase Consideration of RM73.00 million and the 12 Months Profit Guarantee of RM7.50 million.

N/A Not applicable as there is no guaranteed EBITDA.

Based on the above analysis, it is noted that:

(a) the PE Multiple of 12.48 times based on ASAP's audited PAT for FYE 30 June 2016 and the Purchase Consideration is below the simple average of the PE Multiples of the Comparable Companies of 28.06 times and is below the range of PE Multiples of all the Comparable Companies of 17.20 times to 38.94 times;

(b) the PE Multiple of 9.73 times based on the Purchase Consideration and the 12 Months Profit Guarantee is below the simple average of the PE Multiples of the Comparable Companies of 28.06 times and is below the minimum PE Multiple of all the Comparable Companies of 17.20 times; and

(c) the EV/EBITDA multiple of 12.20 times based on ASAP's audited EBITDA for FYE 30 June 2016 and the Purchase Consideration is below the simple average of EV/EBITDA multiples of the Comparable Companies of 16.94 times and falls within the range of EV/EBITDA multiples of all the Comparable Companies of 12.18 times to 27.63 times.

Notwithstanding the above analysis, the Comparable Companies which were considered comparable to ASAP in terms of principal activities may have different scale of operations, profit track record, financial profile and capital structure. Any comparisons made with respect to the Comparable Companies are merely to provide an assessment of the valuation of ASAP.

(ii) Independent fairness opinion letter

Our Board has appointed FHCA as the independent adviser to assess the value for the entire equity interest of ASAP. FHCA had vide its letter dated 28 June 2017 stated that the Purchase Consideration is fair.

Please refer to **Appendix XI** of this Abridged Prospectus for the independent fairness opinion letter prepared by FHCA.

5.3 Liabilities to be assumed and additional financial commitments pursuant to the Acquisition of ASAP

We will not assume any additional liabilities (including contingent liabilities and guarantees (if any)) under the Acquisition of ASAP. The existing liabilities of ASAP will be settled in the normal course of business. There is no additional financial commitment required from us in respect of the Acquisition of ASAP, as ASAP is already in operations and is a going-concern.

6. RISK FACTORS

In managing our business activities, we face risks which may have potential impact to our Group's performance unless proper anticipation and mitigation measures are exercised.

In addition to other information contained in this Abridged Prospectus, you should carefully consider the following risk factors before subscribing for or investing in the Rights Issue with Warrants. You should take note that these risk factors are not exhaustive.

6.1 Risks relating to the Acquisition of ASAP

(i) The benefits from the Acquisition of ASAP may not materialise

We have been recording losses since FYE 31 December 2013. The Acquisition of ASAP was undertaken as a step to improve our Group's financial condition after sustaining losses for several years. The Rights Issue with Warrants is undertaken to finance the Acquisition of ASAP, which is a measure by our Board to address the current financial position of our Group.

The Acquisition of ASAP is expected to complement our business and ultimately enhance our Group's financial performance. However, there is no assurance that the anticipated benefits of the Acquisition of ASAP will be realised or that our Group will be able to generate sufficient revenue and earnings therefrom to offset the associated acquisition costs (such as professional fees and stamp duties) incurred. There is also no assurance that our Group will be able to maintain or improve the quality of services and/or products currently offered by ASAP.

In mitigating such risk, in addition to the Profit Guarantee, our management together with the management team of ASAP will manage ASAP's business operations and be involved in the decision making of strategic matters of ASAP to ensure that the Acquisition of ASAP benefits and improves the financial position of our enlarged Group.

However, there is no guarantee that our joint efforts as mentioned above will ensure that the benefits of the Acquisition of ASAP will be realised and our financial performance will be improved.

(ii) Non-fulfilment of the Profit Guarantee

While our Board has taken reasonable steps to access the achievability of the Profit Guarantee, there can be no assurance that the Profit Guarantee will be met.

To mitigate this risk, the Vendors are required to place the Security with the Stakeholder and in the case where the Profit Guarantee is not met, the Stakeholder will release any balance Security it holds to us. However, there is no guarantee that the Security will be sufficient to make good any shortfall in the event ASAP suffers losses as the Security only covers the total amount of the Profit Guarantee, but not any LAT that may be incurred by ASAP during the Profit Guarantee periods.

(iii) Transaction risk

The Acquisition of ASAP is conditional upon fulfilment of the conditions precedent. There is no assurance that the Acquisition of ASAP can be completed within the time period permitted under the SSA. In the event that the conditions precedent are not fulfilled within the stipulated time period or in the event any approvals shall contain terms which are not acceptable to the parties to the SSA, the said parties may either mutually extend the stipulated period or terminate the SSA. In the event that the SSA is terminated for any reason before the fulfilment of the conditions precedent, the Rights Issue with Warrants will also not proceed.

In this regard, the Vendor and our Company shall endeavour to ensure that there is no delay in fulfilling all the conditions precedent and should there be any delay beyond the agreed time period, our Board shall negotiate to mutually extend the said period prior to its expiry. However, there is no assurance that doing so will ensure the fulfilment of the conditions precedent and, in turn, the completion of the SSA.

(iv) Dependency on key personnel

ASAP's past success and future growth have been and will continue to be supported by a staff size of 26 under the leadership of 2 key personnel. ASAP is currently being co-led by its founder, Prabuddha Kumar Pronob Chakravertty, who has been instrumental in driving the growth and development of ASAP. Together with ASAP's Chief Executive Officer, Mohamad Shaharul bin Haji Mohd Shariff, they have jointly contributed to the growth of ASAP with their management, technical and business knowledge.

The loss of these key personnel simultaneously or within a short time without a timely replacement may adversely impact the business. In order to minimise this risk, our management will also be involved in the daily operations and decision making of ASAP's business to ensure that we learn and are able to manage the business of our enlarged Group.

We also intend to retain all key personnel and staff of ASAP. In this respect, we intend to maintain or enhance ASAP's compensation packages and implement incentive schemes such as performance bonuses which would serve to motivate and retain such key personnel, and may also attract new talent.

Nevertheless, there is no assurance that any loss of the aforementioned key personnel and staff of ASAP without timely replacement will not materially adversely affect the business of our enlarged Group.

6.2 Risks relating to our Group and the industry we operate in

(i) Exposure to rapid changes in technology in the ICT industry

Our products and services are subject to technological developments, changes in customers' requirements, changes in computer operating environment and software applications. Our Group's future success depends substantially on our ability to address the increasingly sophisticated customers' requirements.

To remain competitive, our Group must continue to develop and expand our product and service offerings. We must also continue to enhance and improve user interface, functionality and features of our products. Our Group seeks to mitigate this risk by remaining proactive in developing solutions to cater for current trends and updates for technological changes by participating in technology events, getting customer feedback and enrolling our personnel in training courses. However, there can be no assurance that we will be able to successfully adapt to the changes in technology or in addressing changing customers' requirements on a timely basis.

(ii) Project risks

Our Group's contracts with customers are generally entered into on a project basis. Our projects are subject to the following risks:

(a) Most of our Group's services are based on contracts where the price is determined prior to signing of the contracts. We may not be able to estimate the project costs accurately or incur costs overruns which may adversely affect the profitability of our Group. Although we seek to limit the above risks with prudent management policies, there can be no assurance that any variation in project costs will not materially affect our profitability;

(b) Clients may delay or cancel their projects due to unforeseen circumstances. Delay may arise from incomplete specifications or unanticipated difficulties in developing the solutions. Project delays or cancellations will adversely affect our Group's financial performance. For example, the Group experienced project delays which were the main cause for a 27.9% decline in revenue for the FYE 31 December 2015; and

(c) We set out project milestones and constantly seek feedbacks from clients at each development stage to ensure that the solutions developed meets the requirements and specification. Nonetheless, failure to implement projects that fully satisfies the requirements and expectations of our clients may lead to claims being made against our Group, thereby affecting our reputation and profitability.

(iii) Competition

The market in which our Group and ASAP operates in is competitive and our success is dependent on our capability to continuously introduce products with new features or better version to the market at a competitive price. The increased competition had affected the sales of our products and resulted in an adverse effect on our overall financial performance.

With the Acquisition of ASAP, our enlarged Group is expected to leverage on each other's clientele base to seek more potential demand for our range of products and services. We will be able to market the additional features and modules of our system to ASAP's clients and vice versa. However, we would still expect our enlarged Group to continue to experience competition from current and new competitors in the ICT industry and CMMS market which offers similar products and services.

The future success of our enlarged Group will depend on our ability to respond to the changing market demands, changing technology and knowing the needs of our clients. Despite the anticipated benefits of the Acquisition of ASAP, there is no assurance that our enlarged Group will be able to maintain our competitiveness. Any increased competition in future may have a material and adverse impact on our enlarged Group's financial performance and prospects.

(iv) Political, economic and regulatory considerations

Our financial and business prospects, and the prospects of the industry in which we operate, will depend to some degree on the developments of the political, economic and regulatory front in the countries which we operate in. Amongst the political, economic and regulatory factors are changes in inflation rates, interest rates, taxation, changes in political leadership and unfavourable changes in government policies and regulations. Any adverse developments in the political, economic and regulatory conditions in Malaysia or other countries which we operate could materially and unfavourable affect the financial position and business prospects of our Group.

Notwithstanding the above, we have not experienced any adverse political, economic and regulatory changes which have had a material adverse impact on our business operations in the past. However, there can be no assurance that adverse political, economic and regulatory changes, which are beyond our control, will not materially affect our Group's businesses in the future.

6.3 Risks relating to the Rights Issue with Warrants

(i) Potential dilution

Entitled Shareholders who do not accept their provisional allotment of the Right Shares with Warrants will have their proportionate ownerships and voting interests in our Company reduced due to the eventual enlarged issued share capital arising from the issuance of the Rights Shares and new Shares from the exercise of the Warrants.

(ii) Delay in or abortion of the Rights Issue with Warrants

The Rights Issue with Warrants is exposed to the risk that it may be aborted or delayed on the occurrence of force majeure events or events/circumstances, which are beyond our control, occurring prior to the implementation of the Rights Issue with Warrants. Such events /circumstances include inter-alia, any adverse developments in the political, economic or government policies in Malaysia, natural disasters and global economic downturn.

Pursuant to Section 243 of the CMSA, if the Rights Issue with Warrants is aborted, all monies raised in the Rights Issue with Warrants which are held in a trust account for our Company will be refunded free of interest within 14 days to the Entitled Shareholders. Monies not paid within 14 days will be returned with interest at the rate of 10% per annum or at such other rates as may be prescribed by the SC.

Notwithstanding the above, we will exercise our best endeavour to ensure the successful implementation of the Rights Issue with Warrants. However, there can be no assurance that the abovementioned factors/events will not cause a delay in or abortion of the Rights Issue with Warrants.

(iii) Investment and capital market risk

The market price of the Rights Shares and Warrants, like all listed securities traded on Bursa Securities, is subject to fluctuations and will be influenced by, inter-alia, trades in substantial amount of the Rights Shares and Warrants on the ACE Market of Bursa Securities in the future, the market price and volatility of Orion Shares, announcements relating to the business of our Group and our financial performance. In addition to the fundamentals of our Group, the future performance of our Rights Shares and Warrants also depends on various external factors such as economic and political conditions of the country, sentiments and liquidity in the local stock market, the performance and volatility of equity markets on local, regional and world bourses.

In view of this, there is no assurance that the market price of the Rights Shares upon or subsequent to its listing of and quotation for will trade or be above its Issue Price or be at a level that meets the specific investment objectives or targets of any holder of the Rights Shares. There is also no assurance that the Exercise Price will be in-the-money during the tenure of the Warrants.

(iv) Forward-looking statements

Certain statements in this Abridged Prospectus are based on historical information, which may not be reflective of the future results, and others are forward-looking in nature, which are subject to uncertainties and contingencies.

All forward-looking statements are based on forecasts and assumptions made by our Group and although believed to be reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. Such factors include, among others, the risk factors as set out in this section. In light of these and other uncertainties, the inclusion of forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by our Company that the plans and objectives of our Group will be achieved.

7. INDUSTRY OVERVIEW AND FUTURE PROSPECTS

The overview and prospects of the Malaysian economy as well as the ICT industry are set out below.

7.1 Overview of the Malaysian economy

The Malaysian economy registered a 4.2% growth in its real GDP in 2016 as compared to a 5.0% growth registered in 2015. The slower pace in the growth of the Malaysian economy can be attributed to an overall moderation in private sector consumption and investment growth in an environment of prolonged uncertainties particularly in the international economic, financial and political landscapes.

The Malaysian economy is expected to grow by 4.3% to 4.8% in 2017. The services sector is expected to remain the largest contributor to the economy by accounting for more than half of Malaysia's real GDP in 2016 and 2017.

(Source: Ministry of Finance Malaysia, Bank Negara Malaysia and Department of Statistics Malaysia)

7.2 Overview of the ICT industry in Malaysia

The ICT industry in Malaysia first gained prominence with the launch of the Multimedia Super Corridor ("MSC") Malaysia, a national ICT initiative by the Government in 1996. The MSC Malaysia was established by the Multimedia Development Corporation (now known as Malaysia Digital Economy Corporation), which is the Government agency tasked to oversee its development. MSC Malaysia was envisioned as the country's ICT hub aimed at creating an ideal and conducive platform to nurture the ICT sector, to develop new Malaysian ICT companies, to attract participation and investment from global ICT companies and multinational corporations and to develop cutting edge digital and creative solutions in Malaysia. In 2015, MSC Malaysia generated RM42.1 billion in revenue, an increase of 9.3% from 2014, while exports of ICT products and services from MSC Malaysia status companies grew to RM16.16 billion in 2015, an increase of 17.7% from 2014.

The market size (revenue) of the ICT industry in Malaysia is estimated to expand by 9.6% to RM247.5 billion in 2017. Moving forward, the ICT industry in Malaysia is expected to generate RM355.6 billion in revenue in 2021. The forecast CAGR for the market size (revenue) of the ICT industry in Malaysia from 2017 to 2021 is 9.5%.

In terms of the Malaysian CMMS market, it is at the growth stage of the industry life cycle. It is estimated that the size (revenue) of the Malaysian CMMS market reached RM96.5 million in 2016, representing a 8.4% growth as compared to RM89.0 million in 2015. The market size (revenue) and growth forecast for the Malaysian CMMS market from 2015 to 2021 is shown in the table below.

The Market Size (Revenue) and Growth Forecast for the Malaysian CMMS Market, 2015-2021

Year	Revenue (RM'million)	Annual growth (%)
2015	89.0	-
2016	96.5	8.4
2017	105.7	9.5
2018	116.0	9.7
2019	127.3	9.7
2020	139.5	9.6
2021	152.9	9.6

The market size (revenue) of the Malaysian CMMS market is estimated to expand by 9.5% to RM105.7 million in 2017. There is increased awareness among the users on the importance of business applications such as CMMS. CMMS has been seen as an effective means for driving productivity via an effective maintenance management. The forecast CAGR for Malaysian CMMS market from 2015 to 2021 is 9.6%. In view of the CMMS market operating within the ICT industry, it is expected to grow in tandem with the growth in the broader ICT industry. Its positive outlook is also expected to stem from the same demand conditions in the broader ICT industry in Malaysia.

Moving forward, the Malaysian ICT industry is expected to remain bright. The advancement in technology for ICT products, sustained economic growth to boost spending and investment on ICT products and services, rapidly growing digital population, increasing importance of ICT in business activities and replacement of physical functions with virtual possibilities are the main impetus for the industry. Additionally, the government-led existing initiatives and investment into and mushrooming of start-up technology companies also further drive the growth of the industry.

(Source: Protégé Associates Sdn Bhd)

7.3 Prospects of our Group

Our Group is principally involved in the provision of CMMS. To complement our core CMMS business, our Group also provides other ancillary services, such as systems integration, support services, and training. Our clients include companies involved in amongst others, facility management, manufacturing, oil and gas, mining, healthcare, education and municipalities. The CMMS market environment in general has been challenging since 2013. Our CMMS solutions began losing its competitive edge over the years, as customers' requirements for more comprehensive solutions could not be met. This has affected both our revenue and margins. We have been recording losses since FYE 31 December 2013. As such, our Board has identified ASAP as a suitable acquisition target considering its profitable business model in spite of the challenging CMMS market environment. We have obtained our shareholders' approval on 30 May 2017 to acquire ASAP. Further information on ASAP is set out in **Appendix IV** of this Abridged Prospectus.

Based on the pro forma consolidated statements of financial position of the Orion Group as at 31 December 2016, acquiring ASAP which has an established profit track record (shown in Appendix IV, Section 8) will boost the Group's asset base by RM78.3 million, and is expected to enhance Orion's market share through:

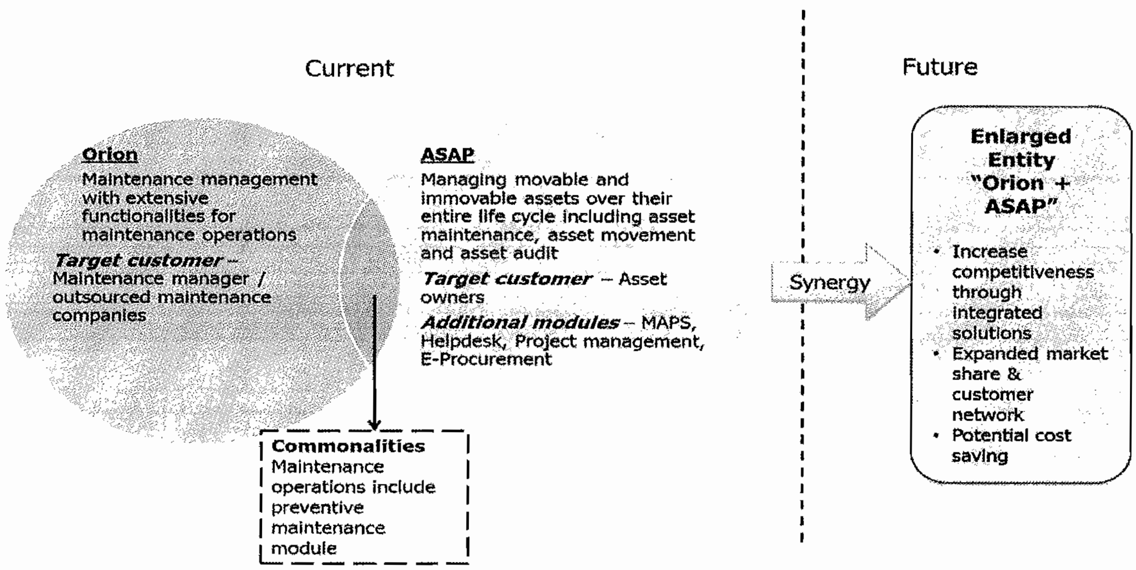
(i) the sharing of technology and resources, with the aim of integrating both Orion's and ASAP's solutions to increase competitiveness; and

(ii) cross-selling between their customer networks.

The above is expected to improve the enlarged Orion Group's profitability in the long run, which will translate to improved shareholder value. Based on an estimated market size of about RM96.5 million in terms of revenue, Orion and ASAP have market shares of 3.5% and 9.0% of the CMMS market in Malaysia respectively in 2016.

(Source: Protégé Associates Sdn Bhd)

A summary of the synergistic benefits expected to arise from the Acquisition of ASAP is illustrated as follows:



(i) Expanded market share and customer network

The Acquisition of ASAP provides an opportunity for both companies to expand their combined market share. This presents an opportunity for both companies to build and strengthen internal capability and operational track record in the provision of CMMS services. We would also potentially benefit from having access to the combined pool of customer segments.

Our target customers are those who undertake asset maintenance works, including maintenance managers, electricians, engineers and contractors while ASAP considers asset owners as its main target customer segment. Our system focuses on the building management and maintenance with extensive functions for maintenance operations. These include items such as lighting which are scheduled for maintenance depending on its lifespan and rate of usage, or cables which tension needs to be monitored and maintained. Conversely, ASAP's system caters for management and maintenance of both movable assets (eg office equipment and machineries) and immovable assets (eg buildings). Due to the different features, both companies target different customer segments across different industries. The Acquisition of ASAP will enable the enlarged Group to leverage on each other's networking connections to seek more potential demand for their range of products and services. ASAP will be able to market the additional features and modules of its system to Orion's customers and vice versa.

(ii) Increased competitiveness through enhanced integrated solutions

Both our Group and ASAP operate under the wider umbrella of the overall ICT industry. Our CMMS software solutions focus on maintenance management where its strength lies with the extensive functionalities for maintenance operations offered including preventive maintenance and tracking cost of maintenance. Whilst ASAP's asset and facility management system also falls under the CMMS market space, it specifically focuses on managing assets over their entire life cycle including asset maintenance, asset movement, asset audit up to asset disposal. Although ASAP's solution also includes maintenance operation comparable to Orion's, their modules have features that apply to different types of assets (i.e. moveable assets) as compared to those offered by us. The Acquisition of ASAP provides an opportunity for the enlarged Group to provide competitive products that include extensive maintenance management features and able to manage the assets over the entire life cycle. This provides a competitive edge for the enlarged Group against its competitors.

Besides that, products from our Group and ASAP can be customised to meet the varying working operations and maintenance model or asset management of different industries. As both our Group and ASAP's products can be integrated using the same platform, users would not have to worry about the synchronisation of data. This will provide both companies with an expanded portfolio of products that can better serve their respective customers. Both our Group and ASAP will continuously work towards the inter-operability of our products on the same platform.

(iii) Potential costs savings

Given the focus in the same area, the enlarged Group would be able to extract greater efficiency and potential cost savings in terms of combined R&D activities and collaborative marketing efforts by pooling of resources of both companies, thereby translating to improved margins. The enlarged Group can also save costs through discount obtained from the bulk purchasing of marketing materials/spaces such as advertorial in the media or trade publications. In terms of R&D, both companies may share the R&D facilities and be involved in pair-programming where programmers from both companies work on a product simultaneously on one computer to further enhance the solutions.

Based on the above and coupled with the expected continuing growth in the ICT industry and the Malaysian CMMS market, our Board remains positive on our prospects for the next financial year.

8. FINANCIAL EFFECTS

The financial effects of the Rights Issue with Warrants and the Acquisition of ASAP are set out in the ensuing subsections.

8.1 Share capital

The Acquisition of ASAP will not have any effect on our share capital as the Purchase Consideration will be fully settled by cash. The pro forma effects of the Rights Issue with Warrants on our share capital are as follows:

	No. of Shares	RM
Existing share capital as at the LPD	133,101,420	13,310,142
To be issued pursuant to the Rights Issue with Warrants	465,854,970	79,195,345
	598,956,390	92,505,487
Assuming all Warrants are exercised	232,927,485	39,597,672
Enlarged share capital	**831,883,875**	**132,103,159**

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8.2 Substantial shareholders' shareholdings

The Acquisition of ASAP will not have any effect on the shareholdings of our substantial shareholders as the Purchase Consideration will be fully settled by cash. The pro forma effects of the Rights Issue with Warrants on the shareholdings of our substantial shareholders are as follows:

Assuming that all Entitled Shareholders subscribe for their entitlements pursuant to the Rights Issue with Warrants

	As at the LPD				(I) After Rights Issue with Warrants				(II) After (I) and assuming full exercise of Warrants			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Raja Abdullah bin Raja Baharudin	13,478,000	10.13	-	-	60,651,000	10.13	-	-	84,237,500	10.13	-	-
Abdul Rani bin Achmed Abdullah	285,072	0.21	-	-	1,282,824	0.21	-	-	1,781,700	0.21	-	-
Yahya bin Razali	1,001,000	0.75	-	-	4,504,500	0.75	-	-	6,256,250	0.75	-	-

Assuming that only the shareholders who provided the Undertakings subscribe for the Rights Shares whilst the remainder are taken up by the Underwriter

	As at the LPD				(I) After Rights Issue with Warrants				(II) After (I) and assuming full exercise of Warrants			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Raja Abdullah bin Raja Baharudin	13,478,000	10.13	-	-	13,478,000	2.25	-	-	13,478,000	1.62	-	-
Abdul Rani bin Achmed Abdullah	285,072	0.21	-	-	41,461,072	6.92	-	-	62,049,072	7.46	-	-
Yahya bin Razali(i)	1,001,000	0.75	-	-	89,236,000	14.90	-	-	133,353,500	16.03	-	-

Note:

(i) He will be re-designated from Independent Non-Executive Director to Non-Independent Non-Executive Director under this scenario.

8.3 NA and gearing

Based on our Group's audited consolidated statements of financial position as at 31 December 2016, the pro forma effect of the Rights Issue with Warrants and the Acquisition of ASAP on the NA and gearing are set out below:

	Audited as at 31 December 2016	(I) After Rights Issue with Warrants	(II) After (I) and the Acquisition of ASAP	(III) After (II) and full exercise of Warrants
		RM		
Share capital	13,310,142	92,505,487	92,505,487	132,103,159
Share premium	4,858,284	4,858,284	4,858,284	4,858,284
Exchange reserve	(410,463)	(410,463)	(410,463)	(410,463)
Warrants reserve	-	[1]65,219,696	65,219,696	-
Discount on shares	-	[1](65,219,696)	(65,219,696)	-
Accumulated losses	(8,204,788)	[2](10,904,788)	(10,904,788)	(10,904,788)
Shareholders' equity	**9,553,175**	**86,048,520**	**86,048,520**	**125,646,192**
Non-controlling interests	(507,595)	(507,595)	(507,595)	(507,595)
Total equity	9,045,580	85,540,925	85,540,925	125,138,597
No. of Orion Shares	133,101,420	598,956,390	598,956,390	831,883,875
NA per Orion Share (RM)	0.07	0.14	0.14	0.15
Interest bearing borrowings (RM)	-	-	[3]379,874	379,874
Gearing	-	-	negligible	negligible

Notes:

(1) Based on a fair value of RM0.28 per Warrant estimated with the Black-Scholes option valuation model.

(2) After deducting estimated expenses in relation to the proposals of RM2,700,000.

(3) Based on the audited statement of financial position of ASAP as at 30 June 2016.

8.4 Earnings and EPS

The Rights Issue with Warrants and the Acquisition of ASAP are not expected to have any immediate material effect on our consolidated earnings for the FYE 31 December 2017 as it is only expected to be completed in the second half of 2017. However, the Acquisition of ASAP is expected to contribute positively to the future earnings of our Group after taking into consideration the Profit Guarantee and its prospects. Our EPS may be diluted due to the issuance of the Rights Shares to primarily fund the Acquisition of ASAP. The effects of such dilution will depend on the earnings to be generated by ASAP.

Although the exercise of the Warrants is expected to further dilute our EPS as a result of the increase in the number of Orion Shares in issue, the utilisation of the proceeds to be derived from the exercise of the Warrants are expected to contribute positively to the future earnings of our enlarged Group.

For illustrative purposes, assuming that the Rights Issue with Warrants and the Acquisition of ASAP had been completed on 1 January 2016, the pro forma effects of the Rights Issue with Warrants and the Acquisition of ASAP on our consolidated earnings and EPS are shown below:

	Audited FYE 31 December 2016	(I) After Rights Issue with Warrants	(II) After (I) and the Acquisition of ASAP	(III) [2]After (II) and full exercise of Warrants
	RM	RM	RM	RM
LAT of Orion	(1,858,647)	(1,858,647)	(1,858,647)	(1,858,647)
PAT of ASAP [1]	-	-	7,500,000	7,500,000
Total PAT / LAT	(1,858,647)	(1,858,647)	5,641,353	5,641,353
No. of Orion Shares	133,101,420	598,956,390	598,956,390	831,883,875
Basic EPS (sen)	-[3]	-[3]	0.94	0.68
Diluted EPS (sen)	-[3]	-[3]	[4]0.68	[4]0.68

Notes:

(1) Based on the 12 Months Profit Guarantee.
(2) Excluding the potential earnings from the utilising of proceeds to be derived from the exercise of the Warrants.
(3) Not applicable as our Group was in loss making position.
(4) Based on our enlarged share capital of 831,883,875 Shares after full exercise of the Warrants.

8.5 Dividend

The Rights Issue with Warrants and Acquisition of ASAP are not expected to affect the dividend payout of our Company as future dividend payable by our Company would be dependent on inter-alia, the future profitability and cashflow availability of our enlarged Group.

8.6 Convertible securities

Our Company does not have any outstanding convertible securities as at the LPD.

9. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS

9.1 Working capital

Our Board is of the opinion that after taking into consideration the proceeds from the Rights Issue with Warrants, cash in hand, cash flow generated from our enlarged operations after the Acquisition of ASAP and banking facilities available, our enlarged Group will have adequate working capital to meet our business requirements due within a period of 12 months from the date of this Abridged Prospectus.

9.2 Borrowings

As at the LPD, our Group does not have any outstanding bank borrowings.

9.3 Material commitments

As at the LPD, our Board confirms that there is no material commitment incurred by our Group.

9.4 Contingent liabilities

As at the LPD, our Board confirms that there is no contingent liability incurred by our Group.

10. INSTRUCTIONS FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION

10.1 General

If you are an Entitled Shareholder, your CDS Account will be duly credited with the number of provisionally allotted Rights Shares with Warrants, which you are entitled to accept/subscribe for, in full or in part, under the terms and conditions of the Rights Issue with Warrants. You will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such provisionally allotted Rights Shares with Warrants into your CDS Account and the RSF to enable you to subscribe for the Rights Shares with Warrants provisionally allotted to you, as well as to apply for excess Rights Shares with Warrants if you choose to do so.

The provisionally allotted Rights Shares with Warrants are renounceable in full or in part and as such, you may fully or partially renounce your rights entitlements to the Rights Shares with Warrants.

10.2 NPA

The provisional allotted Rights Shares with Warrants are prescribed securities pursuant to Section 14(5) of the Securities Industry (Central Depositories) Act, 1991 and therefore, all dealings in the provisionally allotted Rights Shares with Warrants will be by book entries through CDS Accounts and will be governed by the Securities Industry (Central Depositories) Act, 1991, the Securities Industry (Central Depositories) (Amendment) Act, 1998 and the Rules of Bursa Depository. Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making their applications.

10.3 Last date and time of acceptance and payment

The last date and time for acceptance and payment for the Rights Shares with Warrants is **5.00 p.m. on 19 July 2017**.

10.4 Procedure for full acceptance and payment

Acceptance and payment for the Rights Shares with Warrants provisionally allotted to you as an Entitled Shareholder and/or your renouncee(s)/transferee(s) (if applicable) must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF. Acceptances which do not conform to the terms of this Abridged Prospectus, NPA or RSF or the notes and instructions contained in these documents or which are illegible, may not be accepted at the discretion of our Board.

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES WITH WARRANTS PROVISIONALLY ALLOTTED TO YOU AND/OR YOUR RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE), EXCESS APPLICATION FOR THE RIGHTS ISSUE WITH WARRANTS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU AND/OR YOUR RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE) WISH TO SELL OR TRANSFER ALL OR ANY PART OF YOUR/THEIR PROVISIONALLY ALLOTTED ENTITLEMENTS, ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF.

YOU AND/OR YOUR RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE) ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS, THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN CAREFULLY. THE RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED WITH THIS ABRIDGED PROSPECTUS.

If you or your renouncee(s)/transferee(s) (if applicable) wish to accept all or part of the provisionally allotted Rights Shares, you or your renouncee(s)/transferee(s) (if applicable) are required to complete Part I(A) and II of the RSF in accordance with the notes and instructions contained in the RSF. Each completed and signed RSF together with the relevant payment must be despatched by **ORDINARY POST** or **DELIVERED BY HAND** using the envelope provided (at your own risk) to our Share Registrar at the following address:

ShareWorks Sdn Bhd
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan (KL)
Telephone number: 03-6201 1120
Fax number: 03-6201 3121

so as to arrive not later than 5.00 p.m. on 19 July 2017, being the last time and date for acceptance and payment.

Each RSF can only be used for acceptance of provisionally allotted Rights Shares with Warrants standing to the credit of one CDS Account. Separate RSFs must be used for the acceptance of provisionally allotted Rights Shares with Warrants standing to the credit of more than one CDS Account. If successful, Rights Shares with Warrants subscribed by you or your renouncee(s)/transferee(s) (if applicable) will be credited into the respective CDS Accounts as stated on the completed RSF.

A reply envelope is enclosed with this Abridged Prospectus. To facilitate the processing of the RSFs by our Share Registrar, you are advised to use one reply envelope for each completed RSF.

You and/or your renouncee(s)/transferee(s) (if applicable) should take note that a trading board lot for the Rights Shares with Warrants will comprise 100 Rights Shares and 100 Warrants each respectively. Successful applicants of the Rights Shares will be given free attached Warrants on the basis of 1 Warrant for every 2 Rights Shares successfully subscribed. The minimum number of securities that can be subscribed for or accepted is 1 Rights Share. However, 1 Warrant will be issued for every 2 Rights Shares subscribed. Fractions of Rights Shares and Warrants arising from the Rights Issue with Warrants will be disregarded and dealt with in such manner and on such terms and conditions as our Board shall in its discretion deems fit or expedient or in the best interest of our Company.

If acceptance and payment for the Rights Shares with Warrants provisionally allotted to you and/or your renouncee(s)/transferee(s) (if applicable) is not received by our Share Registrar by 5.00 p.m. on 19 July 2017, being the last date and time for acceptance and payment, you and/or your renouncee(s)/transferee(s) (if applicable) will be deemed to have declined the provisional allotment made to you and/or your renouncee(s)/transferee(s) (if applicable) and it will be cancelled. Such Rights Shares with Warrants not taken up will be allotted to the applicants applying for excess Rights Shares with Warrants. Our Board reserves the right not to accept or to accept in part only any application, without providing any reasons.

You or your renouncee(s)/transferee(s) (if applicable) who lose, misplace or for any other reasons require another copy of the RSF, may obtain additional copies from Bursa Securities' website (http://www.bursamalaysia.com), our Share Registrar at the address stated above or our Registered Office.

EACH COMPLETED RSF MUST BE ACCOMPANIED BY REMITTANCE IN "RM" FOR THE FULL AMOUNT IN THE FORM OF BANKER'S DRAFT(S), CASHIER'S ORDER(S), MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY" AND MADE PAYABLE TO "ORION RIGHTS ISSUE ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME, ADDRESS, CDS ACCOUNT NUMBER AND CONTACT NUMBER IN BLOCK LETTERS TO BE RECEIVED BY OUR SHARE REGISTRAR.

THE PAYMENT MUST BE MADE IN THE EXACT AMOUNT. APPLICATIONS ACCOMPANIED BY PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY NOT BE ACCEPTED AT THE DISCRETION OF OUR BOARD. CHEQUES OR ANY OTHER MODES OF PAYMENT WILL BE REJECTED. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE WITH WARRANTS. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED THEIR RIGHTS SHARES WITH WARRANTS, AND NOTICES OF ALLOTMENT WILL BE ISSUED AND FORWARDED BY ORDINARY POST TO YOU AND/OR YOUR RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE) AT YOUR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS OF BURSA

DEPOSITORY WITHIN 8 MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE WITH WARRANTS OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES. PROOF OF TIME OF POSTAGE SHALL NOT CONSTITUTE PROOF OF TIME OF RECEIPT BY OUR SHARE REGISTRAR OR OUR COMPANY.

YOU SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

OUR SHARE REGISTRAR WILL NOT CONTACT YOU AND/OR YOUR RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE) FOR ACCEPTANCES WHICH DO NOT STRICTLY CONFORM TO THE TERMS AND CONDITIONS OF THIS ABRIDGED PROSPECTUS OR THE RSF OR THE NOTES AND INSTRUCTIONS CONTAINED IN THESE DOCUMENTS, OR WHICH ARE ILLEGIBLE.

WHERE AN APPLICATION IS NOT ACCEPTED OR ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED TO YOU WITHOUT INTEREST AND SHALL BE DESPATCHED TO YOU WITHIN 15 MARKET DAYS AFTER THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE WITH WARRANTS, BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS OF BURSA DEPOSITORY AT YOUR OWN RISK.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

10.5 Procedure for part acceptance

You can accept part of your provisionally allotted Rights Shares with Warrants. The minimum number of securities that can be subscribed for or accepted is 1 Rights Share. However, 1 Warrant will be issued for every 2 Rights Shares subscribed. Fractions of Warrants arising from the Rights Issue with Warrants will be disregarded and dealt with in such manner and on such terms and conditions as our Board shall in its discretion deems fit or expedient or in the best interest of our Company.

You must complete both Part I(A) of the RSF by specifying the number of Rights Shares with Warrants which you are accepting and Part II of the RSF and deliver the completed RSF together with the relevant payment to our Share Registrar in the manner set out in Section 10.4 of this Abridged Prospectus.

The portion of the provisionally allotted Rights Shares with Warrants that have not been accepted shall be allotted to applicants applying for excess Rights Shares with Warrants.

10.6 Procedure for sale or transfer of provisional allotment of Rights Shares with Warrants

As the provisionally allotted Rights Shares with Warrants are prescribed securities, you may sell/transfer all or part of your entitlement to the Rights Shares with Warrants to 1 or more person(s) through your stockbroker(s) without first having to request for a split of the provisional allotted Rights Shares with Warrants standing to the credit of your CDS Accounts. To dispose of all or part of your entitlement to the Rights Shares with Warrants, you may sell such entitlement on the open market or transfer to such persons as may be allowed pursuant to the Rules of Bursa Depository.

In selling/transferring all or part of your provisionally allotted Rights Shares with Warrants, you and/or your renouncee(s)/transferee(s) (if applicable) need not deliver any document including the RSF, to any stockbroker. However, you and/or your renouncee(s)/transferee(s) (if applicable) must ensure that there is sufficient provisional allotment of Rights Shares with Warrants standing to the credit of your CDS Accounts that are available for settlement of the sale or transfer.

Purchasers or transferees of the provisionally allotted Rights Shares with Warrants may obtain a copy of this Abridged Prospectus and the RSF from our Share Registrar as stated above or at our Registered Office. This Abridged Prospectus and RSF are also available on Bursa Securities' website (http://www.bursamalaysia.com).

If you have sold or transferred only part of the provisionally allotted Rights Shares with Warrants, you may still accept the balance of the provisionally allotted Rights Shares with Warrants by following the procedures described in Section 10.5 of this Abridged Prospectus.

10.7 Procedure for acceptance by renouncee(s)/transferee(s)

Renouncee(s)/transferee(s) who wish to accept the provisionally allotted Rights Shares with Warrants must obtain a copy of the RSF from our Share Registrar, our Registered Office, or from Bursa Securities' website (http://www.bursamalaysia.com) and complete the RSF, submit the same together with the remittance in accordance with the notes and instructions printed therein.

The procedure for acceptance and payment applicable to the Entitled Shareholders as set out in Section 10.4 of this Abridged Prospectus also applies to renouncee(s)/transferee(s) who wish to accept the provisionally allotted Rights Shares with Warrants.

RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE) ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENT OF THIS ABRIDGED PROSPECTUS AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS ABRIDGED PROSPECTUS AND RSF CAREFULLY.

10.8 Procedure for excess application

As an Entitled Shareholder, you and/or your renouncee(s)/transferee(s) (if applicable) may apply for excess Rights Shares with Warrants in addition to the Rights Shares with Warrants provisionally allotted to you and/or your renouncee(s)/transferee(s) by completing Part I(B) of the RSF (in addition to Part I(A) and II) and forward it together with a **separate remittance** for the full amount payable in respect of the excess Rights Shares with Warrants applied for, to our Share Registrar at the address set out above, so as to arrive not later than 5.00 p.m. on 19 July 2017, being the last time and date for acceptance and payment.

Payment for the excess Rights Shares with Warrants applied for should be made in the same manner as described above, except that the Banker's Draft(s), Cashier's Order(s), Money Order(s) or Postal Order(s) drawn on a bank or post office in Malaysia crossed **"A/C PAYEE ONLY"** and made payable to **"ORION EXCESS RIGHTS ISSUE ACCOUNT"** and endorsed on the reverse side with your name, address, CDS Account number and contact number in block letters to be received by our Share Registrar.

It is the intention of our Board to allot the excess Rights Shares with Warrants applied for under Part I(B) of the RSF, if any, on a fair and equitable basis and in the following priority:

(i) firstly, to minimise the incidence of odd lots;

(ii) secondly, for allocation to Entitled Shareholders who have applied for excess Rights Shares with Warrants on a pro-rata basis and in board lot calculated based on their respective shareholdings as at the Entitlement Date;

(iii) thirdly, for allocation to Entitled Shareholders who have applied for excess Rights Shares with Warrants on a pro-rata basis and in board lot calculated based on the quantum of their respective excess Rights Shares with Warrants applied for; and

(iv) fourthly, for allocation to transferee(s) and/or renouncee(s) who have applied for excess Rights Shares with Warrants on a pro-rata basis and in board lot based on the quantum of their respective excess Rights Shares with Warrants applied for.

In the event of any balance of excess Rights Shares after the above sequence of allocation, the balance will be allocated through the same sequence of processes (ii) to (iv) until all excess Rights Shares are fully allocated.

Nevertheless, our Board reserves the right to allot any excess Rights Shares with Warrants applied under Part I(B) of the RSF (including any remaining Rights Shares after the abovementioned allocation) in such manner as our Board deems fit and expedient and in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in Section 10.8 (i)-(iv) are achieved. Our Board also reserves the right to accept any excess Rights Shares with Warrants application, in full or in part, without assigning any reason thereof.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE EXCESS RIGHTS SHARES WITH WARRANTS. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED THEIR RIGHTS SHARES WITH WARRANTS, AND NOTICES OF ALLOTMENT WILL BE ISSUED AND FORWARDED BY ORDINARY POST TO YOU AT YOUR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS OF BURSA DEPOSITORY WITHIN 8 MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE EXCESS RIGHTS SHARES WITH WARRANTS.

APPLICANTS ARE NOT ALLOWED TO WITHDRAW THE RSF AND PAYMENT ONCE THEY HAVE BEEN LODGED WITH OUR SHARE REGISTRAR.

IN RESPECT OF UNSUCCESSFUL OR PARTIALLY SUCCESSFUL EXCESS RIGHTS SHARES WITH WARRANTS APPLICATIONS, THE FULL AMOUNT OR THE SURPLUS APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST TO YOU WITHIN 15 MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE EXCESS RIGHTS SHARES WITH WARRANTS BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS OF BURSA DEPOSITORY AT YOUR OWN RISK.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THEIR REMITTANCE BEING PRESENTED FOR PAYMENT.

10.9 Form of issuance

Bursa Securities has already prescribed our securities listed on the ACE Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Rights Shares with Warrants are prescribed securities and as such, the Securities Industry (Central Depositories) Act, 1991, Securities Industry (Central Depositories) (Amendment) Act, 1998 and the Rules of Bursa Depository shall apply in respect of the dealings in the said securities.

Failure to comply with the specific instructions or inaccuracy in the CDS Account number may result in the application being rejected.

No physical shares or warrant certificates will be issued to you under the Rights Issue with Warrants. Instead, the Rights Shares with Warrants will be credited directly into your CDS Accounts. The notices of allotment will be issued and forwarded to you by ordinary post at your own risk to the address shown in the Record of Depositors of Bursa Depository within 8 Market Days from the last time and date for acceptance and payment of the Rights Issue with Warrants.

Any person who intends to subscribe for the Rights Shares with Warrants as a renouncee by purchasing the provisional allotment of Rights Shares with Warrants from an Entitled Shareholder, will have his Rights Shares with Warrants credited directly as prescribed securities into his CDS Account.

The excess Rights Shares with Warrants, if allotted to the successful applicant who applies for excess Rights Shares with Warrants, will be credited directly as prescribed securities into his CDS Account.

10.10 Laws of foreign jurisdictions

This Abridged Prospectus, the NPA and the RSF have not been (and will not be) made to comply with the laws of any foreign jurisdiction and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) of any foreign jurisdiction. The Rights Issue with Warrants will not be made or offered in any foreign jurisdiction. Foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) may only accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Shares with Warrants only to the extent that it would be lawful to do so.

M&A Securities, other experts, our Company and our directors and officers would not, in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which that foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) are or may be subjected to. Foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) shall solely be responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject to. M&A Securities, other experts, our Company and our directors and officers shall not accept any responsibility or liability in the event that any acceptance or renunciation made by any foreign Entitled Shareholders or renouncee(s)/transferee(s) (if applicable), is or shall become unlawful, unenforceable, voidable or void in any such jurisdiction.

Accordingly, this Abridged Prospectus together with the accompanying documents will not be sent to the foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) who do not have a registered address in Malaysia. However, such foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) may collect the Abridged Prospectus including the accompanying documents from our Share Registrar and our Registered Office, in which event our Share Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the aforesaid documents. The Abridged Prospectus and RSF may also be obtained online from Bursa Securities' website (http://www.bursamalaysia.com).

Foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such jurisdiction and we shall be entitled to be fully indemnified and held harmless by such foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) for any issue, transfer or other taxes or duties as such person may be required to pay. They will have no claims whatsoever against M&A Securities, other experts, our Company and our Directors and officers or us in respect of their rights and entitlements under the Rights Issue with Warrants. Such foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue with Warrants.

By signing and completing the RSF accompanying this Abridged Prospectus, foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) M&A Securities, other experts, our Company and our directors and officers that:

(i) we would not, by acting on the acceptance or renunciation in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which that foreign Entitled Shareholders or renouncee(s)/transferee(s) (if applicable) are or may be subjected to;

(ii) they have complied with the laws to which they are or may be subjected to in connection with the acceptance or renunciation;

(iii) they are not a nominee or agent of a person in respect of whom we would, by acting on the acceptance or renunciation, be in breach of the laws of any jurisdiction to which that person is or may be subjected to;

(iv) they are aware that the Rights Shares with Warrants can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;

(v) they have respectively received a copy of this Abridged Prospectus and have had access to such financial and other information and have been afforded the opportunity to pose such questions to our representatives and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the Rights Shares with Warrants; and

(vi) they have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights Shares with Warrants, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Rights Shares with Warrants.

Persons receiving this Abridged Prospectus, NPA and RSF (including without limitation custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any jurisdiction, where to do so would or might contravene local securities, exchange control or relevant laws or regulations. If this Abridged Prospectus, NPA and RSF are received by any persons in such jurisdiction, or by the agent or nominee of such a person, he must not seek to accept the offer unless he has complied with and observed the laws of the relevant jurisdiction in connection herewith.

Any person who does forward this Abridged Prospectus, NPA and RSF to any such jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this section and we reserve the right to reject any purported acceptance of the Rights Shares with Warrants from any such application by foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) in any jurisdiction other than Malaysia.

We reserve the right, in our absolute discretion, to treat any acceptance of the Rights Shares with Warrants as invalid if we believe that such acceptance may violate any applicable legal or regulatory requirements in Malaysia.

11. TERMS AND CONDITIONS

The issuance of the Rights Shares together with the Warrants is governed by the terms and conditions as set out in this Abridged Prospectus, the Deed Poll, the NPA and RSF enclosed herewith.

12. FURTHER INFORMATION

You are requested to refer to the attached appendices for further information.

Yours faithfully,
For and on behalf of our Board
ORION IXL BERHAD

DATO' ELIAS BIN ABDULLAH NG
Non-Independent Non-Executive Chairman

Company No. 554979-T

APPENDIX I

CERTIFIED EXTRACT OF THE ORDINARY RESOLUTION PERTAINING TO THE RIGHTS ISSUE WITH WARRANTS PASSED AT OUR EGM HELD ON 30 MAY 2017
(Prepared for inclusion in this Abridged Prospectus)

ORION IXL BERHAD (554979-T)
(Formerly known as CWORKS SYSTEMS BERHAD)
Block D-G-1, UPM-MTDC Technology, Centre Three (TIC III), Lebuh Silikon
Universiti Putra Malaysia, 43400 Serdang, Selangor Darul Ehsan
Tel: +6(03) - 8959 3173 Fax: +6(03) - 8959 3174

CERTIFIED TRUE EXTRACT OF THE EXTRAORDINARY GENERAL MEETING HELD ON 30 MAY 2017

ORDINARY RESOLUTION 1
PROPOSED ACQUISTION OF THE ENTIRE ISSUED AND PAID UP SHARE CAPITAL OF ASAP BERHAD BY ORION FOR A CASH CONSIDERATION OF RM73,000,000

RESOLVED:-

THAT subject to the passing of Ordinary Resolution 2 and the approvals from relevant authorities being obtained where necessary, approval be and is hereby given for Orion to acquire 1,000,000 ordinary shares in ASAP Berhad representing the entire issued and paid-up share capital in ASAP Berhad from Dato" Paduka Mohamad Sharaff bin Haji Mohamad Shariff, Prabuddha Kumar Pronob Chakravertty and Lilibeth Gamboa Belinario (collectively, the "Vendors") for a total cash consideration of RM73,000,000 ("Purchase Consideration") pursuant to the terms and conditions stipulated in the conditional sale and purchase agreement entered into between Orion and the Vendors on 17 October 2016 (supplemented on 31 March 2017) ("Proposed Acquisition");

AND THAT the Board of Directors be and is further authorised to do all acts, deeds and things and execute all necessary documents as they may deem fit or expedient in order to carry out, finalise and give effect to the Proposed Acquisition with full powers to assent to or make any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all steps as they may consider necessary or expedient in the best interest of the Company in order to implement, finalise and give full effect to the Proposed Acquisition.

ORDINARY RESOLUTION 2
PROPOSED RENOUNCEABLE RIGHTS ISSUE OF 465,854,970 NEW ORION SHARES ("RIGHTS SHARES") TOGETHER WITH 232,927,485 NEW FREE DETACHABLE WARRANTS ("WARRANTS") AT AN ISSUE PRICE TO BE DETERMINED ON THE BASIS OF 7 RIGHTS SHARES FOR EVERY 2 EXISTING ORION SHARES HELD AT AN ENTITLEMENT DATE TO BE DETERMINED LATER TOGETHER WITH 1 WARRANT FOR EVERY 2 RIGHTS SHARES SUBSCRIBED

RESOLVED:-

THAT subject to the passing of Ordinary Resolution 1 and subject further to the approval of all relevant authorities, including but not limited to the approval-in-principle being obtained from Bursa Malaysia Securities Berhad ("Bursa Securities") for the listing of and quotation for all the Rights Shares and Warrants to be issued hereunder and all the new Orion Shares to be issued arising from the exercise of the Warrants (whether in its original form or with or subject to any conditions, modifications, variations and/or amendments imposed by Bursa Securities), approval be and is hereby given to the Board of Directors to:

(i) allot and issue the Rights Shares to the shareholders of Orion whose names appear on the Record of Depositors at the close of business on a date to be determined by the Board of Directors and to

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be announced by the Company ("Entitled Shareholders") on the basis of 7 Rights Shares for every 2 Orion Shares held;

(ii) allot and issue the free Warrants to the Entitled Shareholders who have successfully applied for the Rights Shares on the basis of 1 Warrant for every 2 Rights Shares subscribed;

(iii) constitute the Warrants upon the terms and conditions of a deed poll to be executed by Orion ("Deed Poll"), the principal terms of which are set out in this Circular to the shareholders of the Company;

(iv) allot and issue such other additional Warrants as may be required or permitted to be issued as a result of any adjustment under the provisions of the Deed Poll; and

(v) allot and issue the new Orion Shares arising from the exercise of Warrants;

("Proposed Rights Issue with Warrants")

THAT the final issue price of the Rights Shares and the exercise price of the Warrants shall be at a relevant discount to the market price of Orion Shares which is deemed attractive to shareholders based on the 5-day volume weighted average price of Orion Shares prior to the price fixing date to be determined;

THAT the Board of Directors be and is hereby authorised to allocate the excess Rights Shares in a fair and equitable manner on a basis to be determined by the Board of Directors in their absolute discretion;

THAT the Board of Directors be and is hereby entitled to deal with all or any of the fractional entitlement of the Rights Shares and Warrants arising from the Proposed Rights Issue with Warrants, which are not validly taken up or which are not allotted for any reason whatsoever, in such manner as the Board of Directors may in their absolute discretion deem fit and in the best interest of the Company;

THAT all the Rights Shares and new Orion Shares to be issued herein shall rank pari passu in all respects with the existing ordinary shares except that they will not be entitled to any rights, dividends, allotments and/or other distributions for which the relevant entitlement date precedes the relevant issue date of the said shares;

AND THAT the Board of Directors be and is further authorised to do all acts, deeds and things and execute all necessary documents as they may deem fit or expedient in order to carry out, finalise and give effect to the Proposed Rights Issue with Warrants with full powers to assent to or make any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all steps as they may consider necessary or expedient in the best interest of the Company in order to implement, finalise and give full effect to the Proposed Rights Issue with Warrants.

Company No. 554979-T

APPENDIX I

ORION IXL BERHAD (554979-T)
(Formerly known as CWORKS SYSTEMS BERHAD)
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Tel: +6(03) – 8959 3173 Fax: +6(03) – 8959 3174

CERTIFIED BY :

....	....
DATO' MOHAMED RIDZUAN BIN NOR MD	**WONG YUET CHYN**
Director	**MAICSA 7047163**
	Secretary

Date: 30 May 2017

SALIENT TERMS OF THE WARRANTS

Terms		Details
Issue size	:	232,927,485 Warrants exercisable into 232,927,485 new Orion Shares, to be issued for free to the Entitled Shareholders pursuant to the Rights Issue with Warrants.
Detachability	:	The Warrants are immediately detachable upon allotment and issue of the Rights Shares. The Warrants will be traded separately.
Exercise Price	:	The exercise price of the Warrants is RM0.17.
Exercise Period	:	The Warrants may be exercised any time during the tenure of 5 years including and commencing from the issue date of the Warrants. Warrants not exercised during the Exercise Period will thereafter become lapse and void. (e.g., assuming an issue date of 1 July 2017, the Exercise Period would expire on 30 June 2022.)
Mode of Exercise	:	The holder of Warrants is required to lodge an exercise form with our Company's share registrar, duly completed and signed together with payment of the Exercise Price by banker's draft or cashier's order drawn on a bank operating in Malaysia or by money order or postal order issued by a post office.
Exercise Rights	:	Each Warrant entitles the registered holder to subscribe for 1 new Orion Share at the Exercise Price during the Exercise Period and shall be subject to adjustments in accordance with the Deed Poll.
Deed Poll	:	The Warrants is constituted by the Deed Poll.
Board Lot	:	The Warrants are tradable upon listing in board lots of 100 units carrying rights to subscribe for 100 new Orion Shares at any time during the Exercise Period or such other number of units as may be prescribed by Bursa Securities.
Transferability	:	The Warrants are transferable in the manner in accordance with the Deed Poll subject always to the provisions of the Securities Industries (Central Depositories) Act, 1991, as amended and revised from time to time and the rules of Bursa Depository and any amendment thereto.
Status of new Orion Shares to be issued pursuant to the exercise of the Warrants	:	All the new Orion Shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issue, rank equally in all respects with the then existing Orion Shares save and except that they will not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the said new Orion Shares.
Rights of the Warrant holders	:	The holders of Warrants shall not be entitled to any voting rights or to participate in any dividends, rights, allotments and/or other forms of distributions in our Company until and unless such holders of the Warrants exercise their Warrants into new Orion Shares.

Terms		Details
Rights in the event of winding up, liquidation, compromise and/or arrangement	:	Where a resolution has been passed for a members' voluntary winding-up of our Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme of arrangement between our Company and our shareholders and/or creditors, then: (i) our Company shall give notice to the Warrant holders within 21 Market Days or such other time period as may be prescribed by Bursa Securities or such other relevant authorities from time to time, of such a resolution in accordance with the Deed Poll; (ii) for the purpose of such winding up, compromise or arrangement to which the Warrant holders or some persons designated by them for such purposes by a special resolution will be a party, the terms of such winding up, compromise or arrangement will be binding on all the Warrant holders; and (iii) in any other case, every Warrant holder shall be entitled within 6 weeks after the passing of such resolution for a member's voluntary winding-up of our Company or within 6 weeks after the granting of the court order approving the compromise or arrangement, by the irrevocable surrender of his Warrants to our Company by submitting the duly completed exercise form authorising the debiting of his Warrants together with payment of the relevant exercise price by banker's draft (such payment being free of any foreign exchange commission, remittance charges or other deductions), to elect to be treated as if he had immediately prior to the commencement of such winding up, compromise or arrangement exercised the exercise rights represented by the Warrant to the extent specified in the exercise form and be entitled to receive out of the assets of our Company which would be available in liquidation if he had on such date been the holder of the new shares to which he would have become entitled pursuant to such action, and the liquidator of our Company will give effect to such election accordingly. If our Company is wound up, all exercise rights which have not been exercised within 6 weeks of the passing of such resolution, shall lapse and the Warrants shall cease to be valid for any purpose.
Adjustment in the Exercise Price and/or the number of Warrants held by Warrant holders in the event of alteration to the share capital	:	Subject to the provision in the Deed Poll, the Exercise Price and the number of Warrant held by each Warrant holder shall be adjusted by our Board in consultation with its adviser and certification of the external auditors, in the event of alteration to the share capital of our Company.
Modification	:	Save as expressly provided in the Deed Poll, no modification, amendment or addition may be made to the provisions of the Deed Poll without the sanction of a special resolution by the Warrant holders, other than any modification to the Deed Poll which is not materially prejudicial to the interests of the Warrant holders or if in the opinion of our Company and its approved adviser, is to correct a

Terms		Details
		manifest error or to comply with the rules of Bursa Depository, or the Securities Industry (Central Depositories) Act, 1991 or Bursa Securities or mandatory provisions of Malaysian law. Any modification to the Deed Poll may be effected only by a further deed poll executed by our Company and expressed to be supplemental to the Deed Poll, and only if the requirements of the relevant provision of the Deed Poll have been complied with.
Further Issues	:	Subject to the provision in the Deed Poll, our Company is free to issue shares to shareholders either for cash or as a bonus distribution and further subscription rights upon such terms and conditions as our Company sees fit but the Warrant holders will not have any participating rights in such issue unless otherwise resolved by our Company in a general meeting.
Listing	:	The Warrants will be listed on the ACE Market of Bursa Securities.
Governing Law	:	Laws of Malaysia.

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INFORMATION ON OUR GROUP

1. HISTORY AND BUSINESS

We were incorporated in Malaysia under the Companies Act, 1965 on 1 August 2001 under the name Clueword DotCom Sdn Bhd as a private limited company. Subsequently, on 25 June 2004, we changed our name to Cworks Systems Sdn Bhd and were converted into a public company on 13 August 2004 under the name Cworks Systems Berhad. We were listed on the then MESDAQ Market (now known as ACE Market) of Bursa Securities on 10 May 2005. We assumed our present name on 28 March 2016.

The principal activities of our Company are in the provision of CMMS and other information technology services such as systems integration, support services and training.

Further details of our subsidiary as at the LPD are set out in Section 5 of this Appendix. We do not have any associated companies as at the LPD.

2. SHARE CAPITAL

As at the LPD, our issued share capital is as follows:

Type	No. of Shares	Total
Ordinary shares		**RM**
Issued share capital	133,101,420	13,310,142

Changes in issued share capital

As at the LPD, the changes in our Company's issued share capital for the last 3 years are as follows:

Date of allotment	No. of Shares issued	Consideration	Cumulative Total (RM)
28 August 2014	11,000,000	Cash	12,100,132
22 July 2016	12,100,100	Cash	13,310,142

3. SUBSTANTIAL SHAREHOLDERS

Based on our Register of Substantial Shareholders as at the LPD, the pro forma effects of the Rights Issue with Warrants on the shareholdings of our substantial shareholders are set out in Section 8.2 of this Abridged Prospectus.

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4. BOARD OF DIRECTORS

The age, designation, nationalities and addresses of our Board are set out under the Corporate Directory on page (viii) of this Abridged Prospectus. The pro forma effects of the Rights Issue with Warrants on the shareholding of our Directors assuming all Directors subscribe for their respective entitlements under the Rights Issue with Warrants and the Undertaking Shareholders subscribes to the Rights Shares pursuant to the Undertakings, are set out below:

	As at the LPD				(I) After Rights Issue with Warrants				(II) After (I) and assuming full exercise of Warrants			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Elias bin Abdullah Ng	-	-	-	-	-	-	-	-	-	-	-	-
Abdul Rani bin Achmed Abdullah[(1)]	285,072	0.21	-	-	41,461,072	6.92	-	-	62,049,072	7.46	-	-
Dato' Mohamed Ridzuan bin Nor Md	4,083,900	3.07	-	-	18,377,550	3.07	-	-	25,524,375	3.07	-	-
Tang Luan Kang	-	-	-	-	-	-	-	-	-	-	-	-
Adnan bin Zainol	-	-	-	-	-	-	-	-	-	-	-	-
Rahimi bin Ramli	-	-	-	-	-	-	-	-	-	-	-	-
Yahya bin Razali[(1)(2)]	1,001,000	0.75	-	-	89,236,000	14.90	-	-	133,353,500	16.03	-	-

Note:

(1) Includes the Rights Shares to be subscribed for pursuant to the Undertakings

(2) He will be re-designated from Independent Non-Executive Director to Non-Independent Non-Executive Director under this scenario.

5. SUBSIDIARY AND ASSOCIATED COMPANIES

Details of our subsidiary as at the LPD is as follows:

Subsidiaries	Date / Country of incorporation	Issued share capital	Effective ownership (%)	Principal activities
CWorks Systems Inc	21 September 2005/ United States of America	USD 35,000 comprising 100 shares	51.0	Provision of CMMS and other information technology services such as systems integration, support services and training

We do not have any associated company as at the LPD.

6. HISTORICAL FINANCIAL INFORMATION

We set out below the following historical financial information based on our Group's audited consolidated financial statements for the past 3 FYEs 31 December 2014 to 2016 and unaudited 3 months FPE 31 March 2016 and 2017:

	Audited FYE 31 December			Unaudited 3 months FPE 31 March	
	2014	**2015**	**2016**	**2016**	**2017**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Revenue	6,129	4,419	3,362	891	726
GP	4,652	3,239	2,235	654	492
(LBT)	(352)	(1,380)	(2,070)	(599)	(273)
Add:					
Finance costs	-	-	111	-	-
Depreciation and amortisation	1,235	967	330	242	79
Less:					
Interest income	negligible	1	26	-	-
EBITDA /(Loss) before interest, taxation, depreciation and amortisation	**883**	**(414)**	**(1,655)**	**(357)**	**(194)**
Other income	389	605	473	316	46
Taxation	(449)	(79)	212	-	-
(LAT)	(801)	(1,459)	(1,859)	(599)	(273)
(LAT) attributable to non-controlling interests	(192)	(295)	(743)	(79)	(12)
(LAT) attributable to the owners of the Company	(609)	(1,164)	(1,116)	(520)	(261)
Weighted average number of ordinary shares in issue ('000)	113,768	121,001	126,272	121,001	133,101
GP margin (%)	75.9	73.3	66.5	73.4	67.8
Basic (LPS) (sen)	(0.54)	(0.96)	(0.88)	(0.43)	(0.20)
Diluted (LPS) (sen)	(0.54)	(0.96)	(0.88)	(0.43)	(0.20)

Commentaries on financial performance:

FYE 31 December 2015 as compared to FYE 31 December 2014

Our revenue declined by RM1.7 million (27.9%) due to overall delays in several of our projects during the financial year, which resulted in less work completed and billings. These delays were for contracts from the educational private finance initiative projects with the government of Malaysia. As these delays were unexpected, we had incurred sub-contractor costs beforehand, which lowered our GP margin by to 73.3% (FYE 2014: 75.9%). These delays were the main cause for the RM1.4 million reduction in GP, which in turn led to the RM1.0 million (292.1%) increase in our LBT, despite recording lower operating expenses.

FYE 31 December 2016 as compared to FYE 31 December 2015

Our Group's revenue further declined by RM1.1 million (23.9%) due to less contracts secured from our Malaysian operations because of competition in terms of pricing as well as our solutions being unable to meet customers' requirements. This also resulted in the RM1.0 million decrease in our GP. Our GP margin continued to reduce to 66.5% (FYE 2015: 73.3%) in the face of decreasing revenue. This is because our sub-contractor costs were fixed in nature as we needed to retain sub-contractors to work for the remaining duration of contracts secured in the past.

Our Group's LBT has also increased by RM0.7 million (50.0%) as compared to our preceding year's LBT of RM1.4 million. The LBT was caused by the lower sales recorded during the financial year and write-off of trade and other receivables amounting to RM0.6 million.

Unaudited 3 month FPE 31 March 2017 as compared to the corresponding FPE 31 March 2016

Our Group recorded a revenue of approximately RM0.7 million for the FPE 31 March 2017, representing a reduction of approximately 18.5% as compared to the same corresponding financial quarter in 2016 ("Q1 2016"). The reduction was mainly due to less contracts secured from our Malaysian operations as compared against Q1 2016 as our solutions continued to lose their competitive edge in the market. This led to a RM0.2 million decrease in our GP. Despite our efforts to reduce and control our cost of sales, our GP margin deteriorated to 67.8% (FPE 2016: 73.4%) mainly due to the drop in our revenue.

Although we recorded lower revenue for FPE 31 March 2017, our Group registered a lower LBT of RM0.3 million mainly due to a RM0.2 million reduction in amortisation of development costs.

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7. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of our Shares as traded on Bursa Securities for the past 12 months are as follows:

	High	Low
	RM	
2016		
June	0.420	0.350
July	0.345	0.260
August	0.285	0.215
September	0.225	0.165
October	0.195	0.160
November	0.180	0.160
December	0.175	0.140
2017		
January	0.230	0.165
February	0.240	0.195
March	0.340	0.195
April	0.340	0.280
May	0.425	0.305

The last transacted price of our Shares on 14 October 2016, being the last market day prior to the date of the announcement of the Rights Issue with Warrants was RM0.19 per share.

The last transacted price of our Shares on 29 June 2017, being the day prior to the ex-date of the Rights Issue with Warrants was RM0.19 per share.

The last transacted price of our shares as at the LPD was RM0.32 per share.

(Source: M&A Securities)

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INFORMATION ON ASAP

1. HISTORY AND BUSINESS

ASAP was incorporated in Malaysia under the Companies Act, 1965 on 8 April 2008 as a public limited liability company and commenced its operations since year 2008.

Since its incorporation and up to 2009, ASAP was focused on the development of software solutions that catered for the effective and systematic way of managing and maintaining assets of an entity such as furniture and IT equipment such as laptop computers, office equipment, machines and vehicles. In 2009, ASAP successfully developed its asset management system.

ASAP's asset and facility management system is a modular web-based application. It is a proprietary product of ASAP that helps to manage, monitor and maintain any movable and immovable assets of an entity.

ASAP's solution can cater for the entire life cycle of asset management with the availability of functions such as asset registration including tagging using barcode or radio frequency identification, asset tracking by customer deployment, asset movement, asset lease, asset depreciation, asset contract, asset audit and asset disposal. Other relevant functions which include service order management, parts management, cost tracking, preventive maintenance and corrective maintenance are also offered.

In 2010, ASAP continued to complement its asset and facility management system by launching 2 new modules namely, the helpdesk module and the module for monitoring of applications and performance systems (MAPS). This expansion in software products was mainly due to increasing customisation demands from existing customers looking for further value-added features to be part of the asset and facility management system. The current features of ASAP's software are set out under Section 5.1 of this Abridged Prospectus.

On 4 November 2010, ASAP was granted the Multimedia Super Corridor (MSC) status by Malaysia Digital Economy Corporation Sdn Bhd for a period of 10 years starting from 4 November 2010 to 3 November 2020. ASAP was also granted the pioneer status by Malaysian Investment Development Authority for a period of 5 years starting on 4 November 2010, which was subsequently renewed for another 5 years till 3 November 2020. With the pioneer status, ASAP enjoys 100% exemption on taxable statutory income in respect of its business during the validity period.

2. SHARE CAPITAL

ASAP has a share capital of RM1,000,000 comprising 1,000,000 ordinary shares as at the LPD.

3. DIRECTORS AND SHAREHOLDERS

The shareholders and Directors of ASAP and their respective shareholdings as at the LPD are set out below:

			Direct		Indirect	
Shareholder and Director	**Nationality**	**Designation**	**No. of ASAP Shares**	**%**	**No. of ASAP Shares**	**%**
Dato' Paduka Mohamad Sharaff bin Haji Mohd Shariff	Malaysian	Director	600,000	60.00	-	-
Prabuddha Kumar Pronob Chakravertty	Indian	Director	200,002	20.00	-	-
Lilibeth Gamboa Belinario	Filipino	Director	199,998	20.00	-	-
			1,000,000	**100.00**	**-**	**-**

4. SUBSIDIARIES AND ASSOCIATED COMPANIES

As at the LPD, ASAP does not have any subsidiary or associated company.

5. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES INCURRED OR KNOWN TO BE INCURRED

Save as disclosed below, as at LPD, there are no material commitments or contingent liabilities incurred or known to be incurred by ASAP which, upon becoming enforceable, may have a substantial impact on the profit or net assets value of ASAP:

Unsecured	**RM**
Performance guarantee given to a client	910,000

6. MATERIAL CONTRACTS

As at the LPD, ASAP has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within the 2 years immediately preceding the LPD.

7. MATERIAL LITIGATION

Save as disclosed below, as at the LPD, ASAP is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant and the Directors of ASAP have no knowledge of any proceedings pending or threatened against ASAP or of any facts likely to give rise to any proceeding which may materially and adversely affect the financial position or business of ASAP.

Kuala Lumpur High Court ("Court") Suit No. WA-24NCC-63-03/2017
ASAP (the "Plaintiff") vs Sporty Beans Sdn Bhd (the "Defendant")

The Plaintiff was named in the Defendant's letter of demand dated 15 February 2017 which alleges that the Plaintiff had inter alia, entered into a joint venture agreement with the Defendant and caused loss and damages for which the Defendant is demanding compensation of RM20,000,000.

The Plaintiff has obtained a legal opinion that the Defendant's allegations are frivolous and unsubstantiated as the Plaintiff is not a party to the joint venture agreement with the Defendant. In this respect, the Plaintiff has filed an application to the Court for an injunctive relief via an originating summons on 2 March 2017 to restrain the Defendant from issuing their demand to any third parties. The Court had on the hearing dated 21 June 2017 denied this injunction. ASAP's solicitors had on 22 June 2017 filed an appeal to the Court of Appeal against the judge's decision, the outcome of which is pending. ASAP's legal advisers are of the view that as the appeal is by way of re-hearing of the injunction, they are confident of ASAP's chances in the appeal.

8. HISTORICAL FINANCIAL INFORMATION

The summary of the financial information of ASAP for the FYEs 30 June 2014, 2015 and 2016 and the unaudited 9 months FPE 31 March 2016 and 2017 are set out below:

	Audited (Restated)			**Unaudited 9 months**	
	FYE 30 June 2014	**FYE 30 June 2015**	**FYE 30 June 2016**	**FPE 31 March 2016**	**FPE 31 March 2017**
	RM	**RM**	**RM**	**RM**	**RM**
Revenue	10,760,001	5,718,524	8,733,111	4,741,596	8,776,826
GP	7,653,331	4,299,144	6,873,622	3,339,129	4,636,624
PBT	7,024,283	3,450,405	5,851,311	2,788,292	3,762,957
Add:					
Finance costs	7,140	7,140	5,355	4,016	6,798
Depreciation and amortisation	95,416	96,374	154,217	115,663	63,155
EBITDA	**7,126,839**	**3,553,919**	**6,010,883**	**2,907,971**	**3,832,910**
Other income	-	-	-	-	-
Taxation	-	-	-	-	-
PAT	7,024,283	3,450,405	5,851,311	2,788,292	3,762,957
Number of ASAP Shares in issue	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
GP margin (%)	71.1	75.2	78.7	70.4	52.8
Basic EPS	7.02	3.45	5.85	2.79	3.76
Diluted EPS [(1)]	7.02	3.45	5.85	2.79	3.76

Note:

(1) ASAP's diluted EPS is the same as its basic EPS as ASAP does not have any convertible securities.

The audited financial statements of ASAP for the FYEs 30 June 2014 to 2016 were not subject to any audit qualification.

No accounting policies which were peculiar to ASAP were adopted in the preparation of the Accountants' Report. The basis for preparation of the historical financial information as audited by Ecovis AHL PLT (as extracted) set out in **Appendix IX** of this Abridged Prospectus is as follows:

"The historical financial information of ASAP for the FYE 30 June 2014, 2015 and 2016, which have been previously prepared in accordance with the Private Entity Reporting Standards ("PERS"), have been extracted and compiled, based on the audited financial statements of ASAP prepared under PERS for the respective financial years and, where appropriate, adjusted to conform with the Malaysian Financial Reporting Standards ("MFRS)." For the purpose of the Accountants' Report, ASAP adopted MFRS to conform with the accounting policies of the Orion Group.

Commentaries on financial performance:

FYE 30 June 2015 as compared to FYE 30 June 2014

For FYE 30 June 2015, ASAP's revenue decreased by RM5.0 million or 46.9% to RM5.7 million (FYE 30 June 2014: RM10.8 million). The decreased revenue was mainly because ASAP stopped bundling hardware such as computers and servers, with its software solutions. ASAP's decision to cease hardware bundling was due to too much resources being spent on coordinating and providing hardware support on the hardware sales, which was not the company's core business. For avoidance of doubt, ASAP does not produce the hardware for its bundles but sources them externally.

ASAP also ceased working with agents to market its products as most of its agents were unable to provide the required after sales support services to its customers. The installations work performed by some of the agents was also not satisfactory.

Despite the decrease in revenue, the GP margin for ASAP increased to 75.2% in FYE 30 June 2015 (FYE 30 June 2014: 71.1%). The increase in GP margin was mainly due to the reduction in sales of hardware which have low GP margin.

Although the GP margin for FYE 30 June 2015 improved, the PBT margin decreased to 60.3% in FYE 30 June 2015 (FYE 30 June 2014: 65.3%) mainly because ASAP had to incur higher operating expenses in providing after sales support services to its customers to compensate for the less than satisfying installation works performed by some of its agents.

FYE 30 June 2016 as compared to FYE 30 June 2015

For FYE 30 June 2016, ASAP's revenue increased by RM3.0 million or 52.7% to RM8.7 million (FYE 30 June 2015: RM5.7 million). The increase in revenue was mainly contributed by 3 new projects secured from MMC Gamuda KVMRT (PDP SSP) Sdn Bhd (revenue of RM0.8 million), MMC Gamuda KVMRT (PDP) Sdn Bhd (revenue of RM0.4 million) and HeiTech Padu Berhad (revenue of RM2.0 million). The projects from MMC Gamuda KVMRT (PDP) Sdn Bhd and MMC Gamuda KVMRT (PDP SSP) Sdn Bhd involve the development of software solutions for the asset management and maintenance (such as the maintenance for the mass rapid transit railway tracks and other assets in the MRT stations) for the MRT Line – Jajaran Sg Buloh – Kajang and MRT Line – Jajaran Sg Buloh – Serdang – Putrajaya. The project for HeiTech Padu Berhad involves the development of an integrated software solution which includes amongst others, asset management and maintenance module, purchasing module and payment modules.

The project for MMC Gamuda KVMRT (PDP) Sdn Bhd was completed in FYE 30 June 2016 whilst the projects for MMC Gamuda KVMRT (PDP SSP) Sdn Bhd and HeiTech Padu Berhad are still ongoing.

The GP margin for FYE 30 June 2016 increased to 78.7% (FYE 30 June 2015: 75.2%). The improvement in ASAP's GP margin was mainly due to the project for HeiTech Padu Berhad being in its preliminary stages. In these stages, the first milestones has been achieved, but the staff costs incurred are lower as the manpower required during these stages is lesser compared to the manpower required for the development stage, thereby, yielding a higher GP margin.

The PBT margin for ASAP increased to 67.0% in line with the higher GP margin achieved for FYE 30 June 2016.

Unaudited 9 months FPE 31 March 2017 as compared to the corresponding FPE 31 March 2016

For FPE 31 March 2017, ASAP's revenue increased by RM4.1 million or 85.1% to RM8.8 million (FPE 31 March 2016: RM4.7 million). The increase in revenue was mainly contributed by a new project secured from Columbia Asia Sdn Bhd (revenue of RM1.6 million) and revenue from on-going project secured from HeiTech Padu Berhad (revenue of RM7.0 million).

The GP margin for FPE 31 March 2017 decreased to 52.8% (FYE 31 March 2016: 70.4%). The reduction in ASAP's GP margin was mainly due to a project for HeiTech Padu Berhad being in its development stages, where more manpower were required and more development costs were incurred, thereby yielding a lower GP margin.

The PBT margin for ASAP decreased to 42.9% in line with the lower GP margin achieved for FPE 31 March 2017.

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SALIENT TERMS OF THE SSA

The salient terms and conditions of the SSA are as follows:

1. Conditions precedent

The SSA is conditional on the following:

(i) The Vendors submitting a certified true copy of the ASAP board of directors resolution:

(a) approving the transfer of the ASAP Shares to Orion and the registration of Orion as holder of the ASAP Shares in the register of members of ASAP; and

(b) approving the cancellation of the old share certificates and the consequent issuance of new share certificates representing the ASAP Shares;

The above condition was fulfilled on 13 December 2016.

(ii) Orion obtaining the approval of Bursa Securities for the listing of and quotation for the Rights Shares and the Warrants which was obtained on 4 May 2017;

(iii) Orion obtaining the approval of its board of directors and shareholders approving the purchase of the ASAP Shares and the Rights Issue with Warrants within 60 days after obtaining the approval stated in paragraph (ii) above. The approval of Orion's Board was obtained on 7 October 2016 and the approval from its shareholders were obtained on 30 May 2017;

(iv) The allotment and issuance of the Rights Shares pursuant to the Rights Issue with Warrants;

(v) The undertaking of and completion of a legal, technical, tax and financial due diligence and valuation of the business and undertakings of ASAP and the results of such due diligence and valuation being satisfactory to Orion. The due diligence and valuation of ASAP was satisfactorily completed on 15 December 2016; and

(vi) The entry into an agreement between Orion, the Vendors and the Stakeholder in relation to the Profit Guarantee.

In the event that the above conditions precedent shall not have been obtained or fulfilled on or before the expiry of 9 months from the date of the SSA, or such other date as may be agreed upon by the Vendors in writing, the SSA shall terminate and be null and void and of no further effect whatsoever and neither Orion nor the Vendors shall have any claims against the other for costs, damages, compensation or otherwise, save and except in respect of any antecedent breach of the terms of the SSA.

The SSA shall become unconditional on the date when the last condition precedent is obtained, fulfilled or waived. Completion shall take place at the office of ASAP (or at such place as Orion and the Vendors may agree) within 30 days from the unconditional date.

2. Purchase Consideration

The total consideration payable by Orion for the ASAP Shares shall be RM73,000,000 to be satisfied in full within 5 days of the completion date of the Rights Issue with Warrants.

3. Profit Guarantee

Each of the Vendors shall jointly and severally, unconditionally and irrevocably, guarantee Orion that ASAP will generate:

(i) A PAT of not less than RM7,500,000 for every 12 months period for 2 consecutive 12 months period; or

(ii) A cumulative PAT of not less than RM15,000,000 for 2 consecutive 12 months periods;

calculated starting from the first quarter (each quarter starting either 1st January, 1st April, 1st July or 1st October) after the quarter in which completion occurs.

The Profit Guarantee shall be secured by the Security as mutually agreed by the Vendors and Orion, with the Stakeholder prior to Completion. The Security will be progressively released to the Vendors over the 2 Guaranteed 12 Months Period in the following manner:

(i) Part of the Security shall be released to the Vendors after every quarter for the first 3 quarters of each Guaranteed 12 Months Period. The amount to be released each quarter shall be equal to the audited PAT of ASAP for the respective quarter.

(ii) If the cumulative audited PAT of ASAP for the first 2 quarters of each Guaranteed 12 Months Period is less than RM3,750,000, Orion has the right to have the Stakeholder retain the balance Security it holds and make no further releases to the Vendors until the end of the said Guaranteed 12 Months Period.

(iii) At the end of the first Guaranteed 12 Months Period:

(a) If ASAP meets or exceeds the 12 Months Profit Guarantee and the amount of Security already released to the Vendors for the said Guaranteed 12 Months Period is less than the 12 Months Profit Guarantee, an amount of Security equivalent to the shortfall shall be released to the Vendors. In any event, the total amount of Security released to the Vendors for the first Guaranteed 12 Months Period shall not exceed the 12 Months Profit Guarantee.

(b) If ASAP does not meet the 12 Months Profit Guarantee, the Stakeholder shall retain Security amounting to the shortfall and shall not release this amount to the Vendors until the end of the second Guaranteed 12 Months Period.

Note: For avoidance of doubt, the maximum amount of Security that may be retained during the first Guaranteed 12 Months Period is the Cumulative Profit Guarantee of RM15.0 million (in cases when ASAP makes losses or breaks even every quarter of the First Guaranteed 12 Months Period).

In situations where any Security is released during any of the first 3 quarters for PAT achieved by ASAP, the released Security may not be recovered to address any subsequent losses incurred by ASAP. Any further release of Security will henceforth be subject to item (ii) above. All losses incurred in this respect will account towards the total Cumulative Profit Guarantee, and dealt with according to item (iv) below.

(iv) At the end of the second Guaranteed 12 Months Period:

(a) If ASAP achieves or exceeds the Cumulative Profit Guarantee, any amount of remaining Security held by the Stakeholder shall be released to the Vendors.

(b) If ASAP does not meet the Cumulative Profit Guarantee, any shortfall shall be made good to Orion with the Security.

Thereafter, the Stakeholder shall release any balance Security it holds to Orion. Should the remaining Security be insufficient to make good the Cumulative Profit Guarantee (e.g. in the event ASAP incurs a loss instead), Orion shall reserve the right to claim such shortfall from the Vendors.

Note: For avoidance of doubt, any PAT achieved by ASAP in excess of the 12 Months Profit Guarantee (and conversely, any after-tax losses) for the first Guaranteed 12 Months Period shall account towards the Cumulative Profit Guarantee.

If ASAP makes a cumulative loss at the end of the second Guaranteed 12 Months Period, Orion has the right to claim the Cumulative Profit Guarantee of RM15.0 million as well as the amount of losses incurred from the Vendors.

(v) The release of Security to Vendors for each quarter/Guaranteed 12 Months Period is subject to the presentation of the audited financial statements of ASAP for the respective quarter/Guaranteed 12 Months Period and shall be made within 14 days thereafter.

4. Dividend

Prior to the completion and subject to the availability of cash, ASAP shall declare and pay dividends to the Vendors to the amount up to a maximum of the audited PAT for the period starting 1 July 2016 and ending on the date to be determined by the Vendors, provided that such payment shall not result in the NA per ASAP Share falling below RM1.00.

Note: For the avoidance of doubt, the above clause serves to allow ASAP to declare and pay a final dividend to the Vendors prior to completion of the SSA, subject to the criteria provided in this clause.

Notwithstanding the above clause, ASAP may, with the prior consent of the Purchaser, declare and pay interim dividends to the Vendors. Since 1 July 2016 up to the LPD, the Company has declared and paid RM5.4 million in dividends, of which RM2.8 million were paid after the execution of the SSA, with the prior consent of Orion. Its NA per share as at 31 March 2017 based on its unaudited statement of financial position, after accounting for the aforementioned dividends, is RM1.19 per share.

5. Termination

(i) Orion's rights:

Orion may (but shall not be obliged to) at any time before completion by notice to the Vendors terminate the SSA if:

(a) the condition as set out in Section 1 of this Appendix V is not satisfied (to the extent not waived) by the last day of the period of 9 months from the date of the SSA or such later date as Orion and the Vendors may from time to time mutually agree in writing; or

(b) all or any of the Vendors breach or is likely to breach (whether material or not) any of its obligations or any of the warranties or representations given by the Vendors under or in relation to the SSA; or

(c) it appears that any of the warranties is or has become inaccurate or misleading; or

(d) any act or event occurs which had it occurred before the date of the SSA would have constituted a breach of any of the warranties; or

(e) ASAP and/or its subsidiaries sustain a loss on account of fire, flood, accident or other calamity which in the opinion of Orion materially and adversely affect ASAP and its subsidiaries (regardless of whether or not such loss has been insured); or

(f) all or any of the Vendors is or becomes insolvent; or

(g) any of the licences, approvals or permits held by ASAP, necessary or expedient for the carrying out of its business is revoked, varied, not renewed or ASAP ceases or threatens to cease to conduct business as carried on, on the date of the SSA;

(ii) Vendors' rights:

The Vendors may (but shall not be obliged to) at any time before completion by notice to Orion terminate the SSA if Orion is or becomes insolvent or Orion fails or refuses to pay the Purchase Consideration to the Vendors on or before the date stated in Section 2 of this Appendix V.

For avoidance of doubt, in the event of a termination due to a default by any party, the party causing such a default shall bear the costs upon termination.

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ECOVIS AHL PLT (LLP0003185-LCA) & (AF 001825)
Chartered Accountants. Kuala Lumpur, Malaysia

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The Board of Directors
ORION IXL BERHAD
Block D-G-1,
UPM-MTDC Technology Centre Three (TIC III),
Lebuh Silikon, Universiti Putra Malaysia,
43400 Serdang, Selangor Darul Ehsan.

15 June 2017

Dear Sirs

ORION IXL BERHAD (FORMERLY KNOWN AS CWORKS SYSTEMS BERHAD) ("ORION" OR "THE COMPANY")

REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2016
(Prepared for inclusion in the Abridged Prospectus of ORION to be dated 4 July 2017 ("Abridged Prospectus"))

We have completed our assurance engagement to report on the compilation of pro forma consolidated statements of financial position as at 31 December 2016 together with the notes thereon of ORION and its subsidiaries ("ORION Group" or the "Group") prepared by the Board of Directors of ORION ("the Directors"). The pro forma consolidated statements of financial position which is set out in Appendix I (which we have stamped for the purpose of identification) has been compiled by the Directors for inclusion in the Abridged Prospectus to shareholders of ORION in connection with:

(i) Renounceable rights issue of 465,854,970 new ordinary shares in ORION ("Rights Share(s)") on the basis of seven (7) Rights Shares for every two (2) existing shares in ORION held together with 232,927,485 free detachable warrants ("Warrants") on the basis of one (1) Warrant for every two (2) Rights Shares subscribed at 5.00 P.M. on 4 July 2017 at an issue price of RM0.17 per Rights Share payable in full upon acceptance ("Rights issue with Warrants"); and

(ii) Acquisition of 100% equity interest in ASAP Berhad ("ASAP") comprising 1,000,000 ordinary shares in ASAP ("ASAP Shares"), for a purchase consideration of RM73,000,000 to be satisfied entirely in cash to be raised from the Rights Issue with Warrants (the "Acquisition").

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The applicable criteria on the basis of which the Directors of the Company have compiled the pro forma consolidated statements of financial position are described in Notes 1 and 3 of Appendix I.

The pro forma consolidated statements of financial position have been compiled by the Directors to illustrate the impact of the Rights Issue with Warrants and the Acquisition on the audited consolidated statements of financial position of ORION as at 31 December 2016 as if the Rights Issue with Warrants and the Acquisition had taken place on that date. As part of this process, information about the pro forma consolidated statements of financial position as at 31 December 2016 has been extracted from ORION's audited consolidated statements of financial position as at 31 December 2016. Information about the financial position as at 30 June 2016 of ASAP has been extracted from ASAP's audited financial statements as at 30 June 2016 prepared in accordance with Private Entity Reporting Standards ("PERSs"), and adjusted to conform with the requirements of Malaysian Financial Reporting Standards ("MFRSs").

The pro forma consolidated statements of financial position, because of its nature, may not be reflective of ORION's actual financial position. Furthermore, such information does not purport to predict the future financial position of ORION.

Directors' Responsibilities

It is the sole responsibility of the Directors to prepare the pro forma consolidated statements of financial position as at 31 December 2016 on the basis described in notes to the pro forma consolidated statements of financial position as set out in Appendix I.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion on the proper compilation of the pro forma consolidated statements of financial position as at 31 December 2016 in all material respects, by the Directors on the basis of applicable criteria.

In providing this opinion, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma consolidated statements of financial position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma consolidated statements of financial position.

The purpose of the pro forma consolidated statements of financial position is solely to illustrate the impacts of significant events or transactions on unadjusted financial information of the entity as if the events had occurred or the transactions have been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions would have been as presented.

The audited financial statements of ORION for the financial year ended 31 December 2016 were reported by ECOVIS AHL PLT to the members of ORION on 23 March 2017, without any modification.

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Basis of Opinion

We conducted our work in accordance with Malaysian Approved Standards on Assurance Engagements - ISAE 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the pro forma consolidated statements of financial position on the basis described in notes to the pro forma consolidated statements of financial position.

A reasonable assurance engagement to report on whether the pro forma consolidated statements of financial position have been compiled, in all material respects, on the basis described in notes to the pro forma consolidated statements of financial position, involves performing procedures to assess whether the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

(i) the related pro forma adjustments give appropriate effect to the pro forma consolidated statements of financial position; and

(ii) the pro forma consolidated statements of financial position reflects the proper application of those adjustments to the unadjusted financial information..

The procedures selected depend on our judgment, having regard to our understanding of the nature of the Group, the event or transaction in respect of which the pro forma consolidated statements of financial position have been compiled, and other relevant engagement circumstances. The engagement also involves evaluating the overall presentation of the pro forma consolidated statements of financial position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(i) the pro forma consolidated statements of financial position of ORION as at 31 December 2016, which have been prepared by the Directors of ORION, have been properly prepared, in all material respects, on the basis stated in the accompanying notes to the pro forma consolidated statements of financial position using the audited financial statements of ORION as at 31 December 2016, which were prepared in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards, and in a manner consistent with both the format of the consolidated statements of financial position and the accounting policies of ORION; and

(ii) the adjustments made to the information used in the preparation of the pro forma consolidated statements of financial position are appropriate, in all material respects, for the purposes of preparing the pro forma consolidated statements of financial position.

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Other Matters

This letter is issued for the sole purpose of inclusion in the Abridged Prospectus to shareholders of ORION in connection with the Rights Issue with Warrants and the Acquisition. Our work had been carried out in accordance with Malaysian Approved Standards on Assurance Engagements and accordingly should not be relied upon as if it had been carried out in accordance with standards and practices in other jurisdictions. Therefore, this letter is not appropriate in other jurisdictions and should not be used or relied upon for any purpose other than the Rights Issue with Warrants and the Acquisition described above. We accept no duty or responsibility to any party in respect of any use of, or reliance upon this letter other than for the aforesaid purpose.

Yours faithfully,

ECOVIS AHL PLT
AF 001825
Chartered Accountants

PAT YIN LAI
No. 3073/12/17 (J)
Chartered Accountant

Kuala Lumpur
15 June 2017

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF ORION GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

ORION IXL Berhad 554979-T

Block D-G-1, UPM-MTDC Technology Centre Three (TIC III), Lebuh Silikon, Universiti Putra Malaysia, 43400 Serdang, Selangor Darul Ehsan.

Tel: (603) 8959 3173 I Fax: (603) 8959 3174 I Website: www.orionixlholding.com

The pro forma consolidated statements of financial position of ORION Group as set out below are provided for illustrative purpose only and to show the effects of the transactions referred to in the notes accompanying as if they were effected on 31 December 2016.

	Note	Audited Consolidated Statements of Financial Position as at 31.12.2016 RM	Pro forma I Rights Issue with Warrants RM	Pro forma II After Pro forma (I) and the Acquisition RM	Pro forma III After Pro forma (II) and full exercise of Warrants RM
ASSETS					
Non-Current Assets					
Property, plant and equipment	5.1	89,391	89,391	383,112	383,112
Development costs		1,208,854	1,208,854	1,208,854	1,208,854
Other investment		25,500	25,500	25,500	25,500
Goodwill on consolidation	5.2	-	-	70,412,494	70,412,494
Finance lease receivable	5.3	-	-	136,850	136,850
Other receivables		2,949,488	2,949,488	2,949,488	2,949,488
		4,273,233	4,273,233	75,116,298	75,116,298
Current Assets					
Amount due from contract customers	5.4	-	-	520,748	520,748
Finance lease receivable	5.3	-	-	43,024	43,024
Trade receivables	5.5	468,796	468,796	3,772,757	3,772,757
Other receivables, deposits and prepayments	5.6	3,405,683	3,405,683	3,430,105	3,430,105
Cash and cash equivalents	5.7	2,404,659	78,900,004	5,975,802	45,573,474
		6,279,138	82,774,483	13,742,436	53,340,108
TOTAL ASSETS		10,552,371	87,047,716	88,858,734	128,456,406

ECOVIS AHL PLT
(AF 001825)
Chartered Accountants
For identification purposes only

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF ORION GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

ORION IXL Berhad 554979-T

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	Note	Audited Consolidated Statements of Financial Position as at 31.12.2016 RM	Pro forma I Rights Issue with Warrants RM	Pro forma II After Pro forma (I) and the Acquisition RM	Pro forma III After Pro forma (II) and full exercise of Warrants RM
EQUITY AND LIABITLITIES					
Capital and reserves					
Share capital	5.8	13,310,142	92,505,487	92,505,487	132,103,159
Share premium		4,858,284	4,858,284	4,858,284	4,858,284
Exchange reserve		(410,463)	(410,463)	(410,463)	(410,463)
Warrants reserve	5.9	-	65,219,696	65,219,696	-
Discount on shares	5.10	-	(65,219,696)	(65,219,696)	-
Accumulated losses	5.11	(8,204,788)	(10,904,788)	(10,904,788)	(10,904,788)
Equity Attributable to owners of the Company		9,553,175	86,048,520	86,048,520	125,646,192
Non-controlling interests		(507,595)	(507,595)	(507,595)	(507,595)
Total Equity		9,045,580	85,540,925	85,540,925	125,138,597
Non-current liabilities					
Hire purchase payables	5.12	-	-	273,573	273,573

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF ORION GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

ORION IXL Berhad 554979-T

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	Note	Audited Consolidated Statements of Financial Position as at 31.12.2016 RM	Pro forma I Rights Issue with Warrants RM	Pro forma II After Pro forma (I) and the Acquisition RM	Pro forma III After Pro forma (II) and full exercise of Warrants RM
Current liabilities					
Trade payables	5.13	6,995	6,995	8,495	8,495
Other payables and accruals	5.14	1,253,458	1,253,458	2,683,102	2,683,102
Hire purchase payables	5.12	-	-	106,301	106,301
Deferred income		246,338	246,338	246,338	246,338
Total current liabilities		1,506,791	1,506,791	3,044,236	3,044,236
Total liabilities		1,506,791	1,506,791	3,317,809	3,317,809
TOTAL EQUITY AND LIABILITIES		10,552,371	87,047,716	88,858,734	128,456,406
No. of Orion Shares		133,101,420	598,956,390	598,956,390	831,883,875
Net assets per Orion Share* (RM)		0.07	0.14	0.14	0.15
Interest bearing borrowings# (RM)		-	-	379,874	379,874
Gearing (times)		-	-	negligible	negligible

* Net assets is defined as equity attributable to owners of the Company.

\# Gearing ratio is calculated on total borrowings divided by net asset.

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1. INTRODUCTION

The pro forma consolidated statements of financial position of Orion IXL Berhad ("ORION" or "the Company") and its subsidiaries ("ORION Group" or "the Group"), for which the Directors of the Company are solely responsible, has been prepared for illustrative purpose only for inclusion in the Abridged Prospectus to shareholders of the Company ("Abridged Prospectus") in connection with the following:

(i) Renounceable rights issue of 465,854,970 new ordinary shares in ORION ("Rights Share(s)") on the basis of seven (7) Rights Shares for every two (2) existing shares in ORION ("ORION Shares") held together with 232,927,485 free detachable warrants ("Warrants") on the basis of one (1) Warrant for every two (2) Rights Shares subscribed at 5.00 P.M. on 4 July 2017 at an issue price of RM0.17 per Rights Share payable in full upon acceptance ("Rights Issue with Warrants"); and

(ii) Acquisition of 100% equity interest in ASAP Berhad ("ASAP") comprising 1,000,000 ordinary shares in ASAP ("ASAP Shares"), for a purchase consideration of RM73,000,000 to be satisfied entirely in cash to be raised from the Rights Issue with Warrants (the "Acquisition").

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF ORION GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

ORION IXL Berhad 554979-T

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2. DETAILS OF THE ACQUISITION

On 17 October 2016, ORION entered into a share sale agreement ("SSA") with Dato' Paduka Mohamad Sharaff bin Mohamad Shariff, Prabuddha Kumar Pronob Chakravertty and Lilibeth Gamboa Belinario (collectively, the "Vendors") for the acquisition of 100% equity interest in ASAP. After further negotiation, ORION and Vendors have mutually agreed to amend the mode of satisfaction of the purchase consideration of RM73,000,000 entirely in cash via a supplemental SSA on 31 March 2017.

The purchase consideration of the Acquisition shall be allocated to the Vendors in the following manner:

Vendors	No. of ASAP Shares	Percentage shareholding	Cash Payment (RM)
Dato' Paduka Mohamad Sharaff bin Mohamad Shariff	600,000	60%	43,000,000
Prabuddha Kumar Pronob Chakravertty	200,002	20%	15,000,000
Lilibeth Gamboa Belinario	199,998	20%	15,000,000
	1,000,000	100%	73,000,000

3. BASIS OF PREPARATION

3.1 The pro forma consolidated statements of financial position of ORION Group as at 31 December 2016, for which the Board of Directors of ORION ("Directors") are solely responsible, is prepared for illustrative purposes only, to show the effects of the pro forma consolidated financial position of ORION Group as at 31 December 2016 had the Rights Issue with Warrants and the Acquisition been effected on that date, and should be read in conjunction with the notes accompanying thereto.

The pro forma consolidated statements of financial position is prepared for illustrative purposes only, such information, because of its nature, does not give a true picture of the effects of the Rights Issue with Warrants and the Acquisition on the financial position of ORION Group presented had the transactions or events occurred on 31 December 2016. Further, such information does not purport to predict the Group's future financial position.

3.2 For purpose of illustration only, the effects of the Rights Issue with Warrants and the Acquisition are shown using the financial position of ORION as at 31 December 2016 and the financial position of ASAP as at 30 June 2016 on the assumption that the Acquisition had been effected on 31 December 2016.

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3. BASIS OF PREPARATION (CONT'D)

3.3 The pro forma consolidated statements of financial position have prepared on a basis consistent with both the format and the accounting policies adopted by ORION Group in the preparation of the audited consolidated financial statements of ORION Group for the financial year ended 31 December 2016.

The pro forma consolidated statements of financial position after adjustments incorporating the effects of the Rights Issue with Warrants and the Acquisition and consolidation eliminations were compiled using the:

i) audited consolidated statements of financial position of ORION as at 31 December 2016 prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") which was audited by ECOVIS AHL PLT; and

ii) audited statement of financial position of ASAP as at 30 June 2016 prepared in accordance with Private Entity Reporting Standards ("PERSs"), which was audited by Messrs. TCMK Associated, adjusted to conform with the requirements of MFRSs.

The audited financial statements of ORION for the financial year ended 31 December 2016 were reported without any modification.

3.4 The estimated expenses for the corporate exercise on the Rights Issue with Warrants and the Acquisition is RM2,700,000, which has been adjusted against the accumulated losses in the pro forma consolidated statements of financial position.

3.5 A Purchase Price Allocation ("PPA") exercise will be conducted as at the acquisition date, at which point adjustments may be made to the goodwill amount currently recorded for illustrative purposes.

3.6 The pro forma consolidated statements of financial position was prepared using non-conterminous year ends i.e. 31 December for ORION and 30 June for ASAP.

3.7 The historical financial information of ORION and ASAP are presented in Ringgit Malaysia ("RM"), which is also ORION's and ASAP's functional currency.

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3. BASIS OF PREPARATION (CONT'D)

3.8 The pro forma consolidated statements of financial position of ORION as at 31 December 2016 have been prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia using the audited financial statements of ORION as at 31 December 2016, which were prepared in accordance to the requirements of the Companies Act 1965 in Malaysia.

Companies Act 2016 ("CA 2016")

The Minister of Domestic Trade, Co-operatives and Consumerism has appointed 31 January 2017 as the date on which CA 2016 comes into operation except section 241 and Division 8 of Part III. ORION shall prepare its financial statements for the year ending 31 December 2017 in accordance with the requirements of CA 2016.

Pursuant to CA 2016:

- All shares issued before or upon the commencement of CA 2016 shall have no par or nominal value. Where a share is issued before the commencement of CA 2016, the amount paid on the share shall be the sum of all amounts paid to the company at any time for the share, but not including any premium.
- Upon commencement of CA 2016, any amount standing to the credit of the company's share premium account shall become part of the company's share capital.
- However, the company may, within 24 months upon the commencement of CA 2016, use the amount standing to the credit of its share premium account for specific purposes set out in the transitional provisions of CA 2016. Thereafter, any unutilised credit balance in the share premium account shall be transferred and credited to share capital of the company.

The financial statements disclosure requirements under CA 2016 (other than the disclosure requirements of the approved accounting standards) are different from those requirements set out in the Companies Act 1965. Consequently, the items to be disclosed in ORION Group's financial statements for the year ending 31 December 2017 may be different from those disclosed in the financial statements for financial years prior to the year ending 31 December 2017.

The pro forma consolidated statements of financial position of ORION as at 31 December 2016 have been prepared using CA 2016, i.e. issuance of new ordinary shares have no par or nominal value.

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4. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

Pro forma adjustments to the pro forma consolidated statements of financial position, which show the effects of the Rights Issue with Warrants and the Acquisition are illustrated as follows:

4.1 Pro forma I - Rights Issue with Warrants

The Rights Issue with Warrants will be implemented on a full subscription basis, which the issue price of the Rights Shares is at RM0.17 per Rights Share and the exercise price of the Warrants at RM0.17 per Warrant.

The issue price of the Rights Shares of RM0.17 per Rights Share represents:
(i) a discount of approximately 54.1% from the 5D-VWAMP of ORION Shares up to and inclusive of 31 May 2017 of RM0.3705 per Share; and
(ii) a discount of approximately 15.9% to the theoretical ex-all price of ORION Shares of RM0.2021 based on the 5D-VWAMP up to and inclusive of 31 May 2017 of RM0.3705 per Share.

Upon completion of the Rights Issue with Warrants, the issued and paid-up capital of ORION will be increased to RM92,505,487 and accumulated losses will be increased to RM10,904,788 (after deducting the estimated expenses of RM2,700,000). Proceeds from the Rights Issue with Warrants would give rise to an increase in the cash of RM76,495,345, net of estimated expenses of RM2,700,000.

Correspondingly, there will be a creation of warrant reserve of RM65,219,696.

<u>Warrant reserve</u>

The allocated fair values of the Warrants are credited to a warrant reserve which is non-distributable. Warrant reserve shall be set off against "Discount on shares" upon exercise of the Warrants.

The Warrants are assumed to have a fair value of RM0.28 each and are determined using the Black-Scholes pricing model based on the input date as of 31 May 2017 by reference to the following assumptions:

Theoretical ex-rights price	: RM0.365
Exercise price	: RM0.17
Tenure	: 5 years
Historical volatility (400 days)	: 75.27%
Risk free interest rate	: 3.75% per annum

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4. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2016 (CONT'D)

Pro forma adjustments to the pro forma consolidated statements of financial position, which show the effects of the Rights Issue with Warrants and the Acquisition are illustrated as follows (cont'd):

4.2 Pro forma II - After Pro forma I and the Acquisition

(a) Adjustments for the Acquisition of ASAP

The acquisition of shares in ASAP would give rise to an increase of RM73,000,000 in the investment in subsidiaries of ORION. Correspondingly, the payment for the acquisition would give rise to a decrease in the cash and cash equivalents of ORION of RM73,000,000.

(b) Adjustment for goodwill on business combination

The adjustment for the goodwill on business combination illustrates the effect of the goodwill arising from the Acquisition. Details of the provisional fair value of assets and liabilities acquired are as follows:

	RM
Plant and equipment	293,721
Finance lease receivable	179,874
Amount due from contract customers	520,748
Trade receivables	3,303,961
Other receivable, deposits and prepayments	24,422
Cash at bank	75,798
Trade payables	(1,500)
Other payables and accruals	(620,564)
Amount due to a Director	(809,080)
Hire purchase payables	(379,874)
	2,587,506
Goodwill on business combination (Note5.2)	70,412,494
Purchase consideration	73,000,000

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4. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2016 (CONT'D)

Pro forma adjustments to the pro forma consolidated statements of financial position, which show the effects of the Rights Issue with Warrants and the Acquisition are illustrated as follows (cont'd):

4.2 Pro forma II - After Pro forma I and the Acquisition (cont'd)

(b) Adjustment for goodwill on business combination (cont'd)

The assumption used in the calculation of goodwill on business combination is that the fair values as at 30 June 2016 would be used to derive the illustrative impact on the pro forma consolidated statements of financial position as at 31 December 2016.

The fair value of the purchase consideration is RM73,000,000.

The Directors of the Company are of the view that fair values of the assets and liabilities of ASAP approximate their book values at that date and have not been adjusted for the purpose of this pro forma. Actual adjustment may differ based on the financial information of ASAP on the actual acquisition date.

Upon completion of the Acquisition, the goodwill of the Group will increase by RM70,412,494 and its corresponding entries would decrease the Group's consolidated retained earnings by the pre-acquisition reserves of RM1,587,506 and share capital of the subsidiary acquired of RM1,000,000 and eliminate the investment in subsidiaries by RM73,000,000.

A Purchase Price Allocation ("PPA") exercise will be conducted as at the acquisition date, at which point adjustment may be made to the goodwill amount recorded for illustrative purpose.

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4. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2016 (CONT'D)

Pro forma adjustments to the pro forma consolidated statements of financial position, which show the effects of the Rights Issue with Warrants and the Acquisition are illustrated as follows (cont'd):

4.3 Pro forma III – After Pro forma II and full exercise of the Warrants

Pro forma III incorporates the effects of Pro forma II and assuming full exercise of Warrants.

Assuming full exercise of the Warrants at the exercise price of RM0.17 each, the issued and paid up share capital of ORION Group will be increased to RM132,103,159. The warrant reserve of RM65,219,696 will be transferred to discount on shares.

The exercise price of the Warrants represents:

(i) a discount of approximately 54.1% from the 5D-VWAMP of ORION Shares up to and inclusive of 31 May 2017 of RM0.3705 per Share; and

(ii) a discount of approximately 15.9% to the theoretical ex-all price of Orion Shares of RM0.2021 based on the 5D-VWAMP up to and inclusive of 31 May 2017 of RM0.3705 per Share.

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF ORION GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

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5. NOTES TO THE EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

5.1 Property, plant and equipment

	RM
Audited as at 31 December 2016, Pro forma I	89,391
Acquisition of a subsidiary:	
- Per adjusted statement of financial position ("SOFP") of ASAP as at 30 June 2016	293,721
Pro forma II, Pro forma III	383,112

5.2 Goodwill on consolidation

	RM
Audited as at 31 December 2016, Pro forma I	-
Acquisition of a subsidiary:	
- Goodwill arising from business combination	70,412,494
Pro forma II, Pro forma III	70,412,494

5.3 Financial lease receivable

	RM
Audited as at 31 December 2016, Pro forma I	-
Acquisition of a subsidiary:	
- Per adjusted SOFP of ASAP as at 30 June 2016	
- Current	43,024
- Non-current	136,850
	179,874
Pro forma II, Pro forma III	179,874

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF ORION GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

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5. NOTES TO THE EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2016 (CONT'D)

5.4 Amount due from contract customers

	RM
Audited as at 31 December 2016, Pro forma I,	-
Acquisition of a subsidiary:	
- Per adjusted SOFP of ASAP as at 30 June 2016	520,748
Pro forma II, Pro forma III	520,748

5.5 Trade receivables

	RM
Audited as at 31 December 2016, Pro forma I	468,796
Acquisition of a subsidiary:	
- Per adjusted SOFP of ASAP as at 30 June 2016	3,303,961
Pro forma II, Pro forma III	3,772,757

5.6 Other receivables, deposits and prepayments

	RM
Audited as at 31 December 2016, Pro forma I	3,405,683
Acquisition of a subsidiary:	
- Per adjusted SOFP of ASAP as at 30 June 2016	24,422
Pro forma II, Pro forma III	3,430,105

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ECOVIS AHL PLT
(LLP0001825)
Chartered Accountants
For Identification purposes only

ORION IXL Berhad 554979-T

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5. NOTES TO THE EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2016 (CONT'D)

5.7 Cash and cash equivalents

	RM
Audited as at 31 December 2016	2,404,659
Proceed from Rights Issue with Warrants:	
- Issuance of Rights Shares with Warrants	79,195,345
- Estimated expenses incurred	(2,700,000)
Pro forma I	78,900,004
Acquisition of a subsidiary:	
- Cash consideration for the Acquisition	(73,000,000)
- Per adjusted SOFP of ASAP as at 30 June 2016	75,798
Pro forma II	5,975,802
Full exercise of Warrants:	
- Full exercise of 232,927,485 Warrants	39,597,672
Pro forma III	45,573,474

5.8 Share capital

	RM
Audited as at 31 December 2016	13,310,142
Rights Issue with Warrants:	
- Issuance of 465,854,970 new ordinary shares	79,195,345
Pro forma I, Pro forma II	92,505,487
Full exercise of Warrants:	
- Full exercise of 232,927,485 Warrants	39,597,672
Pro forma III	132,103,159

5.9 Warrants reserve

	RM
Audited as at 31 December 2016	-
Rights Issue with Warrants:	
- Issuance of 232,927,485 Warrants at fair value of RM0.28	65,219,696
Pro forma I, Pro forma II	65,219,696
Full exercise of Warrants:	
- Full exercise of 232,927,485 Warrants	(65,219,696)
Pro forma III	-

ECOVIS AHL PLT
(AF 001825)
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For identification purposes only

ORION IXL Berhad 554979-T

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5. NOTES TO THE EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2016 (CONT'D)

5.10 Discount on shares

	RM
Audited as at 31 December 2016	-
Rights Issue with Warrants:	
- Issuance of 232,927,485 Warrants	(65,219,696)
Pro forma I, Pro forma II	(65,219,696)
Full exercise of Warrants:	
- Full exercise of 232,927,485 Warrants	65,219,696
Pro forma III	-

5.11 Accumulated losses

	RM
Audited as at 31 December 2016	(8,204,788)
Rights Issue with Warrants:	
- Estimated expenses incurred	(2,700,000)
Pro forma I ,Pro forma II, Pro forma III	(10,904,788)

5.12 Hire purchase payables

	RM
Audited as at 31 December 2016, Pro forma I	-
Acquisition of a subsidiary:	
- Per adjusted SOFP of ASAP as at 30 June 2016	
- Current	106,301
- Non-current	273,573
	379,874
Pro forma II, Pro forma III	379,874

5.13 Trade payables

	RM
Audited as at 31 December 2016, Pro forma I	6,995
Acquisition of a subsidiary:	
- Per adjusted SOFP of ASAP as at 30 June 2016	1,500
Pro forma II, Pro forma III	8,495

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ORION IXL Berhad 554979-T

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5. NOTES TO THE EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2016 (CONT'D)

5.14 Other payables and accruals

	RM
Audited as at 31 December 2016, Pro forma I	1,253,458
Acquisition of a subsidiary:	
- Per adjusted SOFP of ASAP as at 30 June 2016	1,429,644
Pro forma II, Pro forma III	2,683,102

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ECOVIS AHL PLT
(AF 001825)
Chartered Accountants
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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF ORION GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

ORION IXL Berhad 554979-T

Block D-G-1, UPM-MTDC Technology Centre Three (TIC III), Lebuh Silikon, Universiti Putra Malaysia, 43400 Serdang, Selangor Darul Ehsan.

Tel: (603) 8959 3173 I Fax: (603) 8959 3174 I Website: www.orionixlholding.com

APPROVAL BY BOARD OF DIRECTORS

Approved and adopted by the Board of Directors of ORION IXL Berhad in accordance with a resolution dated 15 June 2017.

....

Dato' Mohamed Riduan bin Nor Md
Executive Director

ECOVIS AHL PLT
Chartered Accountants
For Identification purposes only

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ECOVIS AHL PLT (AF 001825)
PAT YIN LAI
PARTNER

ORION IXL BERHAD

(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
(554979-T)

REPORTS AND FINANCIAL STATEMENTS
31 DECEMBER 2016

ECOVIS AHL PLT
Chartered Accountants
(LLP0003185-LCA) & (AF 001825)

ORION IXL BERHAD

(formerly known as CWorks Systems Berhad)

(Incorporated in Malaysia)
Company No : 554979-T

REPORTS AND FINANCIAL STATEMENTS
31 DECEMBER 2016

CONTENTS

	Page
DIRECTORS' REPORT	1 - 5
STATEMENT BY DIRECTORS	6
STATUTORY DECLARATION	6
INDEPENDENT AUDITORS' REPORT	7 - 13
STATEMENTS OF FINANCIAL POSITION	14 - 15
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	16
STATEMENTS OF CHANGES IN EQUITY	17 - 18
STATEMENTS OF CASH FLOWS	19 - 21
NOTES TO THE FINANCIAL STATEMENTS	22 - 68
SUPPLEMENTARY FINANCIAL INFORMATION ON THE BREAKDOWN OF REALISED AND UNREALISED PROFITS OR LOSSES	69

ORION IXL BERHAD

(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

DIRECTORS' REPORT

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2016.

Principal activities

The principal activities of the Company are in the provision of computerised maintenance management systems and other information technology services such as systems integration, support services and training. The principal activities of the subsidiaries are described in Note 7 to the Financial Statements. There have been no significant changes in the nature of these principal activities during the financial year.

Results

	Group RM	Company RM
Loss for the financial year	(1,858,647)	(2,340,809)
Attributable to:		
Owners of the Company	(1,115,523)	(2,340,809)
Non-controlling interests	(743,124)	-
	(1,858,647)	(2,340,809)

Dividends

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend the payment of any dividend in respect of the financial year ended 31 December 2016.

Reserves and provisions

There were no material transfers to or from reserves or provisions during the financial year, other than those disclosed in the financial statements.

ORION IXL BERHAD

(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

Issue of shares and debentures

On 26 July 2016, the Company increased its issued and paid-up capital from RM12,100,132 to RM13,310,142 via the issuance of private placement of 12,100,100 new ordinary shares of RM0.10 each at an issue price of RM0.265 per share.

The new ordinary shares issued during the financial year rank pari passu in all respect with the existing ordinary shares of the Company.

The Company has not issued any debentures during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Directors

The Directors in office since the date of the last report are:

Abdul Rani Bin Achmed Abdullah	
Adnan Bin Zainol	
Dato' Elias Bin Abdullah Ng	
Dato' Mohamed Ridzuan Bin Nor Md	
Rahimi Bin Ramli	(Appointed on 3.8.2016)
Tang Luan Kang	(Appointed on 3.8.2016)
Yahya Bin Razali	(Appointed on 3.8.2016)
Azhan Bin Azmi	(Resigned on 20.4.2016)
Dato' Yen Soon Ai	(Resigned on 20.4.2016)
Ahmad Ruslan Zahari Bin Zakaria	(Retired on 24.6.2016)
Abu Bakar Fikri Bin Sulaiman	(Resigned on 3.8.2016)
Lee Yian Ping	(Resigned on 3.8.2016)

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

Directors' interests

According to the Register of Directors' Shareholdings, the interests of Directors in office in the shares of the Company and its related corporations at the end of the financial year were as follows:

	Number of ordinary shares of RM0.10 each			
The Company	At 1.1.2016	Bought	Sold	At 31.12.2016
Direct				
Abdul Rani Bin Achmed Abdullah	1,285,072	-	-	1,285,072
Dato' Mohamed Ridzuan Bin Nor Md	4,083,900	-	-	4,083,900
Yahya Bin Razali	-	1,000	-	1,000

By virtue of their interests in the shares of the Company, Abdul Rani Bin Achmed Abdullah, Dato' Mohamed Ridzuan Bin Nor Md and Yahya Bin Razali are deemed to have interest in the shares of the Company's subsidiaries to the extent the Company has an interest.

Other than as disclosed above, none of the other directors in office at the end of the financial year had any interests in the ordinary shares and options in the Company and its related corporations.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of emoluments received or due and receivable by Directors or the fixed salary of a full-time employee of the Company as disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than as disclosed in Note 21 to the financial statements.

Neither during nor at the end of the financial year was the Company or any of its related corporations a party to any arrangement, whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:

a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfies themselves that there are no known bad debts and that adequate allowance for doubtful debts had been made on receivables; and

b) to ensure that any current assets which were unlikely to realise their value in the ordinary course of business as shown in the accounting records had been written down to an amount which they might be expected so to realise.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

Other statutory information (Continued)

At the date of this report, the Directors are not aware of any circumstances:

a) which would necessitate the writing off of bad debts or render the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent; or

b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

At the date of this report, there does not exist:

a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liability of any other person; or

b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or in the financial statements of the Group and of the Company which would render any amount stated in the financial statements of the Group and of the Company misleading.

In the opinion of the Directors:

a) the results of the Group's and of the Company's operations during the financial year were not substantially affected by any item, transaction, or event of a material and unusual nature; and

b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction, or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year.

Significant events during the financial year

The significant events occurring during the financial year are disclosed in Note 26 to the financial statements.

ORION IXL BERHAD

(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

Auditors

The auditors, ECOVIS AHL PLT, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 23 March 2017.

....	....
ABDUL RANI BIN ACHMED ABDULLAH	**DATO' MOHAMED RIDZUAN BIN NOR MD**

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, **Abdul Rani Bin Achmed Abdullah** and **Dato' Mohamed Ridzuan Bin Nor Md**, being two of the Directors of **ORION IXL BERHAD (formerly known as CWorks Systems Berhad)**, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 14 to 68 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2016 and of their financial performance and cash flows for the financial year then ended.

The supplementary information set out in Note 28 on page 69, which is not part of the financial statements, is prepared in all material respects, in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 23 March 2017.

....	....
ABDUL RANI BIN ACHMED ABDULLAH	**DATO' MOHAMED RIDZUAN BIN NOR MD**

STATUTORY DECLARATION
PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, **Abdul Rani Bin Achmed Abdullah**, being the Director primarily responsible for the financial management of **ORION IXL BERHAD (formerly known as CWorks Systems Berhad)**, do solemnly and sincerely declare that the financial statements set out on pages 14 to 68, are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
abovenamed at Kuala Lumpur)
in the Federal Territory)
on 23 March 2017.)

....
ABDUL RANI BIN ACHMED ABDULLAH

Before me,

PESURUHJAYA SUMPAH
No W533
Nama: YM TENGKU FARIDDUDIN BIN TENGKU SULAIMAN
MALAYSIA

205, Bangunan Loke Yew
4, Jln Mahkamah Persekutuan
50050 Kuala Lumpur (W.P.)

ECOVIS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ORION IXL BERHAD (formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of ORION IXL BERHAD (formerly known as CWorks Systems Berhad), which comprise the statements of financial position as at 31 December 2016 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2016, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and IESBA Code.

ECOVIS AHL PLT (LLP0003185-LCA) & (AF 001825) Chartered Accountants, No 9-3, Jalan 109F, Plaza Danau 2, Taman Danau Desa, 58100 Kuala Lumpur, Malaysia **Phone:** +60(3) 7981 1799 **Fax:** +60(3) 7980 4796 **E-Mail:** kuala-lumpur@ecovis.com.my

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ORION IXL BERHAD (CONT'D)
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No: 554979-T

Report on the Audit of the Financial Statements (cont'd)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment assessment of development costs

The Group and the company recorded development costs with carrying amount of RM1,208,854 at 31 December 2016 as disclosed in Note 6 to the financial statements. Given the significance of the development costs to the Group and the company, we had identified the indications of impairment in relation to these development costs. The assessment of impairment involves significant estimates and use of assumptions, and the application of significant judgement in order to determining the recoverable amount of the development costs, especially in respect of the amount of future cash flows and the applied discount rate.

Our audit procedures focused on evaluating management's assessment are as follows

- Evaluating the appropriateness of the Group's judgements regarding identification of cash generating units for impairment assessment;
- Assessing the appropriateness and reasonableness of key assumptions applied by the Group in determining the recoverable amount (as disclosed in Note 6 to the financial statements);
- Evaluating the Group's analysis of the sensitivity of the impairment test results to changes in assumptions (as disclosed in Note 6 to the financial statements);
- Evaluate the adequacy and appropriateness of disclosure of impairment assessment made in the financial statements.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ORION IXL BERHAD (CONT'D)
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No: 554979-T

Report on the Audit of the Financial Statements (cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report, which we obtained prior to the date of our auditors' report, and the other sections of the annual report not including the financial statements of the Group and of the Company and our auditors' report thereon ("the other sections"), which are expected to be made available after that date.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of our auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ORION IXL BERHAD (CONT'D)
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No: 554979-T

Report on the Audit of the Financial Statements (cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ORION IXL BERHAD (CONT'D)
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No: 554979-T

Report on the Audit of the Financial Statements (cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ORION IXL BERHAD (CONT'D)
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No: 554979-T

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the financial statements of the subsidiaries of which we have not acted as auditors, which are indicated in Note 7 to the financial statements, being financial statements that have been included in the consolidated financial statements.

(c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(d) The auditors' report on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act other than emphasis or matter paragraph in the auditors' report as disclosed in Note 7 to the financial statements

Other Reporting Responsibilities

The supplementary information set out in Note 28 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ORION IXL BERHAD (CONT'D)
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No: 554979-T

Other Matters

1. This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

2. The financial statements as at 31 December 2015 and for the year then ended were audited by other auditors.

ECOVIS AHL PLT	**Pat Yin Lai**
AF 001825	No. 3073/12/17 (J)
Chartered Accountants	Chartered Accountant

23 March 2017
Kuala Lumpur

ORION IXL BERHAD

(formerly known as CWorks Systems Berhad)

(Incorporated in Malaysia)

Company No : 554979-T

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	<------------ Group ------------> 2016 RM	2015 RM	<---------- Company ----------> 2016 RM	2015 RM
ASSETS					
NON-CURRENT ASSETS					
Plant and equipment	5	89,391	152,085	82,689	141,533
Development costs	6	1,208,854	2,601,630	1,208,854	1,229,971
Investment in subsidiaries	7	-	-	-	25,500
Other investment	8	25,500	-	25,500	-
Other receivables	10	2,949,488	-	2,949,488	-
		4,273,233	2,753,715	4,266,531	1,397,004
CURRENT ASSETS					
Trade receivables	9	468,796	4,239,901	392,200	-
Other receivables, deposits and prepayments	10	3,405,683	1,101,929	3,342,543	134,923
Amount owing by subsidiaries	11	-	-	-	7,282,767
Deposits with licensed banks		-	11,004	-	11,004
Cash and bank balances		2,404,659	955,870	2,393,404	537,202
		6,279,138	6,308,704	6,128,147	7,965,896
TOTAL ASSETS		10,552,371	9,062,419	10,394,678	9,362,900

ORION IXL BERHAD

(formerly known as CWorks Systems Berhad)

(Incorporated in Malaysia)

Company No : 554979-T

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2016 (CONTINUED)

	Note	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	12	13,310,142	12,100,132	13,310,142	12,100,132
Reserves	13	(3,756,967)	(4,371,035)	(3,476,513)	(2,936,549)
Equity attributable to owners of the Company		9,553,175	7,729,097	9,833,629	9,163,583
Non-controlling interest		(507,595)	175,078	-	-
TOTAL EQUITY		9,045,580	7,904,175	9,833,629	9,163,583
LIABILITIES					
NON-CURRENT LIABILITY					
Deferred tax liabilities	14	-	371,523	-	-
CURRENT LIABILITIES					
Trade payables	15	6,995	82,722	-	-
Other payables and accruals	16	1,253,458	484,083	561,049	199,317
Deferred income	17	246,338	148,234	-	-
Tax payable		-	71,682	-	-
		1,506,791	786,721	561,049	199,317
TOTAL LIABILITIES		1,506,791	1,158,244	561,049	199,317
TOTAL EQUITY AND LIABILITIES		10,552,371	9,062,419	10,394,678	9,362,900

The accompanying notes form an integral part of the financial statements.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No : 554979-T

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

		Group		Company	
		2016	2015	2016	2015
	Note	RM	RM	RM	RM
Revenue		3,361,530	4,418,563	2,110,563	2,893,165
Other operating income	18	473,414	604,708	83,931	306,340
Purchases and other direct costs		(883,994)	(297,380)	(255,283)	(10,000)
Directors' remuneration	18	(463,182)	(976,612)	(463,182)	(779,994)
Depreciation of plant and equipment	5	(87,495)	(84,272)	(83,168)	(78,832)
Amortisation of development costs	6	(242,740)	(882,616)	(41,685)	-
Staff costs	18	(1,973,109)	(2,395,382)	(1,509,369)	(1,860,450)
Other operating expenses		(2,169,284)	(1,767,986)	(2,097,002)	(1,146,854)
OPERATING LOSS		(1,984,860)	(1,380,977)	(2,255,195)	(676,625)
Finance income	18	25,645	662	25,645	662
Finance costs	18	(111,259)	-	(111,259)	-
LOSS BEFORE TAX	18	(2,070,474)	(1,380,315)	(2,340,809)	(675,963)
Tax expense	19	211,827	(78,869)	-	-
LOSS FOR THE FINANCIAL YEAR		(1,858,647)	(1,459,184)	(2,340,809)	(675,963)
Other comprehensive income					
- foreign currency translation		(71,254)	(257,024)	-	-
TOTAL COMPREHENSIVE EXPENSES FOR THE FINANCIAL YEAR		(1,929,901)	(1,716,208)	(2,340,809)	(675,963)
LOSS ATTRIBUTABLE TO:					
Owners of the Company		(1,115,523)	(1,163,868)	(2,340,809)	(675,963)
Non-controlling interests		(743,124)	(295,316)	-	-
		(1,858,647)	(1,459,184)	(2,340,809)	(675,963)
TOTAL COMPREHENSIVE EXPENSES ATTRIBUTABLE TO:					
Owners of the Company		(1,186,777)	(1,420,892)	(2,340,809)	(675,963)
Non-controlling interests		(743,124)	(295,316)	-	-
		(1,929,901)	(1,716,208)	(2,340,809)	(675,963)
LOSS PER SHARE (SEN)					
- Basic	20	(0.88)	(0.96)		
- Diluted	20	(0.88)	(0.96)		

The accompanying notes form an integral part of the financial statements.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No : 554979-T

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	Note	Share Capital RM	Share Premium RM	Exchange Reserve RM	Accumulated Losses RM	Attributable to owners of the Company RM	Non-controlling interest RM	Total RM
		← *Non-Distributable*		→	*Distributable*			
Group								
At 1 January 2015		12,100,132	3,057,439	(82,185)	(5,925,397)	9,149,989	470,394	9,620,383
Total comprehensive expenses for the financial year		-	-	(257,024)	(1,163,868)	(1,420,892)	(295,316)	(1,716,208)
At 31 December 2015 / 1 January 2016		12,100,132	3,057,439	(339,209)	(7,089,265)	7,729,097	175,078	7,904,175
Total comprehensive expenses for the financial year		-	-	(71,254)	(1,115,523)	(1,186,777)	(743,124)	(1,929,901)
Transactions with owners:								
- Deemed disposal of subsidiary		-	-	-	-	-	60,451	60,451
- Private placement	13a	1,210,010	1,996,517	-	-	3,206,527	-	3,206,527
- Share issuance expenses	13a	-	(195,672)	-	-	(195,672)	-	(195,672)
		1,210,010	1,800,845	-	-	3,010,855	60,451	3,071,306
At 31 December 2016		13,310,142	4,858,284	(410,463)	(8,204,788)	9,553,175	(507,595)	9,045,580

ORION IXL BERHAD
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(Incorporated in Malaysia)
Company No : 554979-T

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

	Note	*Non- Distributable*		*Distributable*	
		Share Capital RM	Share Premium RM	Accumulated Losses RM	Total RM
Company					
At 1 January 2015		12,100,132	3,057,439	(5,318,025)	9,839,546
Total comprehensive expenses for the financial year		-	-	(675,963)	(675,963)
At 31 December 2015 / 1 January 2016		12,100,132	3,057,439	(5,993,988)	9,163,583
Total comprehensive expenses for the financial year		-	-	(2,340,809)	(2,340,809)
Transactions with owners:					
- Private placement	13a	1,210,010	1,996,517	-	3,206,527
- Share issuance expenses	13a	-	(195,672)	-	(195,672)
		1,210,010	1,800,845	-	3,010,855
At 31 December 2016		13,310,142	4,858,284	(8,334,797)	9,833,629

The accompanying notes form an integral part of the financial statements.

ORION IXL BERHAD

(formerly known as CWorks Systems Berhad)

(Incorporated in Malaysia)

Company No : 554979-T

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM	**RM**	**RM**	**RM**
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax	(2,070,474)	(1,380,315)	(2,340,809)	(675,963)
Adjustments for:				
Allowance for impairment loss on				
- trade receivables	125,544	24,911	-	-
- other receivables	480,006	-	-	-
- a subsidiary	-	-	1,086,978	-
Amortisation of development costs	242,740	882,616	41,685	-
Depreciation of plant and equipment	87,495	84,272	83,168	78,832
Unwinding of discount	111,259	-	111,259	-
Interest income	(25,645)	(662)	(25,645)	(662)
Gain on disposal of subsidiaries	(88,419)	-	-	-
Reversal of impairment loss on trade receivables	-	(195,723)	-	(106,622)
Unrealised gain on foreign exchange	-	-	(46,753)	(199,718)
Operating loss before working capital changes	(1,137,494)	(584,901)	(1,090,117)	(904,133)
Changes in working capital:				
Trade receivables	696,774	(328,461)	(392,200)	115,153
Other receivables, deposits and prepayments	(1,604,894)	(408,842)	(655,790)	27,812
Trade payables	96,664	(146,751)	-	(72,419)
Other payables and accruals	1,466,570	100,399	361,732	(25,107)
Amount owing by subsidiaries	-	-	495,042	1,462,687
Cash (used in)/generated from operation	(482,380)	(1,368,556)	(1,281,333)	603,993
Tax paid	-	(84,682)	-	-
Net cash (used in)/generated from operating activities	(482,380)	(1,453,238)	(1,281,333)	603,993

ORION IXL BERHAD
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(Incorporated in Malaysia)
Company No : 554979-T

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

	Group		Company	
	2016	2015	2016	2015
	RM	RM	RM	RM
CASH FLOWS FROM INVESTING ACTIVITIES				
Addition to development costs	(20,568)	(201,317)	(20,568)	(201,317)
Disposal of a subsidiary	(1,073,423)	-	-	-
Interest received	25,645	662	25,645	662
Purchase of plant and equipment	(24,324)	(9,043)	(24,324)	(7,237)
Net cash used in investing activities	(1,092,670)	(209,698)	(19,247)	(207,892)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of shares by way of private placement, net of share issue expenses	3,010,855	-	3,010,855	-
Decrease/(Increase) in deposits pledged	11,004	(662)	11,004	(662)
Net cash generated from/(used in) financing activities	3,021,859	(662)	3,021,859	(662)

ORION IXL BERHAD
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(Incorporated in Malaysia)
Company No : 554979-T

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	1,446,809	(1,663,598)	1,721,279	395,439
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	1,980	(259,652)	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	955,870	2,879,120	537,202	141,763
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	2,404,659	955,870	2,258,481	537,202
CASH AND CASH EQUIVALENTS COMPRISE:				
Deposits with licensed banks	-	11,004	-	11,004
Cash and bank balances	2,404,659	955,870	2,393,404	537,202
	2,404,659	966,874	2,393,404	548,206
Less: Deposits held as security values	-	(11,004)	-	(11,004)
	2,404,659	955,870	2,393,404	537,202

The deposits with licensed bank of the Group and of the Company is pledged to the bank for bank guarantee facility granted during the financial year.

Included in the cash and bank balances of the Group, there is RM11,255 (2015: RM43,681) in which its currency exposure profile is United State Dollar.

Included in the cash and bank balances of the Group, there are RM2,261,674 (2015: NIL) of upfront cash payment to "MNA/principal advisor" which are utilised over the duration of the Proposals disclosed in Note 26 (b) to the financial statements.

The accompanying notes form an integral part of the financial statements.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the ACE Market of Bursa Securities Berhad.

The principal activities of the Company are in the provision of computerised maintenance management systems and other information technology services such as systems integration, support services and training. The principal activities of the subsidiaries are described in Note 7 to the financial statements. There have been no significant changes in the nature of these principal activities during the financial year.

The principal place of business and the registered office are as follows:

Principal place of business	:	Block D-G-1, UPM-MTDC Technology Centre III (TIC III), Lebuh Silikon, Universiti Putra Malaysia, 43400 Serdang, Selangor Darul Ehsan.
Registered office	:	No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL).

The financial statements of the Group and of the Company were authorised for issue by the Board of Directors on 23 March 2017.

2. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention unless otherwise stated in the summary of significant accounting policies.

The financial statements of the Group and of the Company are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

ORION IXL BERHAD
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(Incorporated in Malaysia)
Company No. 554979-T

2. BASIS OF PREPARATION (CONTINUED)

2.1 Adoption of MFRS and Amendments to MFRSs during the Current Financial Year

The accounting policies adopted by the Group and the Company are consistent with those of the previous financial year, except for the adoption of the following MFRS and Amendments to MFRSs:

Effective for financial periods beginning on or after 1 January 2016

- MFRS 14 — *Regulatory Deferral Accounts*
- Amendments to MFRS 5 — *Annual Improvements to MFRSs 2012 - 2014 Cycle*
- Amendments to MFRS 7 — *Annual Improvements to MFRSs 2012 - 2014 Cycle*
- Amendments to MFRS 10, MFRS 12 and MFRS 128 — *Investment Entities: Applying the Consolidation Exception*
- Amendments to MFRS 11 — *Accounting for Acquisitions of Interests in Joint Operations*
- Amendments to MFRS 101 — *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 FRS 119 — *Annual Improvements to MFRSs 2012 - 2014 Cycle*
- Amendments to MFRS 127 — *Equity Method in Separate Financial Statements*
- Amendments to FRS 134 — *Annual Improvements to MFRSs 2012 - 2014 Cycle*

The adoption of MFRS and Amendments to MFRSs did not result in significant changes in the accounting policies of the Company and has no significant effect on the financial performance or position of the Company for the current financial year.

2.2 MFRSs, Amendments to MFRSs and IC Interpretations that Have Been Issued, But Not Yet Effective and Not Yet Adopted

The following are MFRSs, Amendments to MFRSs and IC Interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective and have not been adopted by the Company:

Effective for financial periods beginning on or after 1 January 2017

- Amendments to MFRS 12 — *Annual Improvements to MFRSs 2014 - 2016 Cycle*
- Amendments to MFRS 107 — *Disclosure Initiative*
- Amendments to MFRS 112 — *Recognition of Deferred Tax Assets for Unrealised Losses*

Effective for financial periods beginning on or after 1 January 2018

- MFRS 9 — *Financial Instruments (IFRS 9 as issued by International Accounting Standards Board ("IASB") in July 2014)*
- MFRS 15 — *Revenue from Contracts with Customers*
- Amendments to MFRS 1 — *Annual Improvements to MFRSs 2014 - 2016 Cycle*
- Amendments to MFRS 2 — *Classification and Measurement of Share-based Payment Transactions*

2. BASIS OF PREPARATION (CONTINUED)

2.2 MFRSs, Amendments to MFRSs and IC Interpretations that Have Been Issued, But Not Yet Effective and Not Yet Adopted (Continued)

Effective for financial periods beginning on or after 1 January 2018 (Continued)

• Amendments to MFRS 4	*Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*
• Amendments to MFRS 15	*Clarification to MFRS 15 Revenue from Contracts with Customers*
• Amendments to MFRS 128	*Annual Improvements to MFRSs 2014 - 2016 Cycle*
• Amendments to MFRS 140	*Transfers of Investment Property*
• IC Interpretation 22	*Foreign Currency Transactions and Advance Consideration*

Effective for financial periods beginning on or after 1 January 2019

• MFRS 16	*Leases*

To be announced

• Amendments to MFRS 10 and MFRS 128	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Company 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 Company upon their initial application, except as described below:

<u>MFRS 9 Financial Instruments</u>
In November 2014, the MASB issued the final version of MFRS 9 Financial Instruments, replacing MFRS 139. This Standard made changes to the requirements for classification and measurement, impairment, and hedge accounting. The adoption of this Standard will have an effect on the classification and measurement of the Group's and the Company's financial assets, but no impact on the classification and measurement of the Group's and the Company's financial liabilities.

MFRS 9 Financial Instruments also requires impairment assessments to be based on an expected loss model, replacing the MFRS 139 incurred loss model. Finally, MFRS 9 Financial Instruments aligns hedge accounting more closely with risk management, establish a more principle-based approach to hedge accounting and address inconsistencies and weaknesses in the previous model.

This Standard will come into effect on or after 1 January 2018 with early adoption permitted. Retrospective application is required, but comparative information is not compulsory. The impact of the adoption of this Standard in relation to the new requirements for classification and measurement and impairment are still being assessed, but the requirements for hedge accounting is not relevant to the Group and the Company.

<u>MFRS 15 Revenue from Contracts with Customers</u>
MFRS 15 introduces a new model for revenue recognition arising from contracts with customers. MFRS 15 will replace and supersede MFRS 111 Construction contracts, MFRS 118 Revenue, IC 13 Customer Loyalty Programmes, IC 15 Agreements for the Construction of Real Estate, IC 18 Transfers of Assets from Customers and IC 31 Revenue - Barter Transactions Involving Advertising Services. The application of MFRS 15 may result in difference in timing of revenue recognition as compared with current accounting policies.

2. BASIS OF PREPARATION (CONTINUED)

2.2 MFRSs, Amendments to MFRSs and IC Interpretations that Have Been Issued, But Not Yet Effective and Not Yet Adopted (Continued)

MFRS 15 Revenue from Contracts with Customers (Continued)
The Group and the Company is currently assessing the impact to the financial statements upon adopting MFRS 15, and will adopt MFRS 15 on the mandatory effective date.

MFRS 16 Leases
Currently under MFRS 117, leases are classified either as finance leases or operating leases. A lessee recognises on its statement of financial position assets and liabilities arising from the former but not the latter. As a result, many users have resorted to adjust the lessees' financial statements for the effects of operating leases commitments to enable comparison with entities that borrow to buy assets.

MFRS 16 eliminates the distinction between finance and operating leases for lessees. All leases will be brought onto its statement of financial position as recording certain leases as off-balance sheet leases will no longer be allowed except for some limited practical exemptions. In other words, for a lessee that has material operating leases, the assets and liabilities reported on its statement of financial position are expected to increase substantially.

The Group and the Company is currently assessing the impact of MFRS 16 and plans to adopt the new standard on the required effective date.

2.3 Companies Act 2016 effective beginning 31 January 2017

The Minister of Domestic Trade, Co-operatives and Consumerism has appointed 31 January 2017 as the date on which Companies Act 2016 ("the Act") comes into operation, except section 241 and Division 8 of Part III of the Act. The Act will be implemented on a staggered basis. With the enforcement of the first phase of the Act on 31 January 2017, the Companies Act 1965 is repealed. The Group and the Company shall prepare their financial statements for the year ending 31 December 2017 in accordance with the requirements of the Act.

The Act introduces the following changes to the current basis of preparation:

- All shares issued before or upon the commencement of the Act shall have no par or nominal value. Where a share is issued before the commencement of the Act, the amount paid on the share shall be the sum of all amounts paid to the company at any time for the share, but not including any premium.

- Upon commencement of the Act, any amount standing to the credit of the Company's share premium account shall become part of the Company's share capital. However, the Company may, within 24 months upon the commencement of the Act, use the amount standing to the credit of its share premium account for specific purposes set out in the transitional provisions of the Act. Thereafter, any unutilised credit balance in the share premium account shall be transferred and credited to share capital of the Company.

The financial statements disclosure requirements under the Act are different from those requirements set out in Companies Act 1965. Consequently, the items to be disclosed in the financial statements of the Group and of the Company for the year ending 31 December 2017 may be different from those disclosed in the financial statements for the current financial year.

2. BASIS OF PREPARATION (CONTINUED)

2.3 Companies Act 2016 effective beginning 31 January 2017 (Continued)

The Group are currently assessing the impact of the Act on financial statements for the year ending 31 December 2017.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Subsidiaries and Basis of Consolidation

i. Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group considers it has the factor power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are stated in the Company's statement of financial position at cost less impairment losses, unless the investment is held for sale. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

ii. Business Combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interest issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis. Transaction costs incurred are expensed and included in administrative expenses.

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(Incorporated in Malaysia)
Company No. 554979-T

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) Subsidiaries and Basis of Consolidation (Continued)

iii. Acquisition of Non-controlling Interests

The Group treats all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

iv. Loss of Control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

v. Non-controlling Interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group are presented in the consolidated statement of comprehensive income as an allocation of the profit or loss and other comprehensive income for the year between non-controlling interests and owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

vi. Transactions Eliminated on Consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

b) Intangible Assets

Intangible assets which represent licenses, copyrights and other incidental costs incurred, are stated at cost less accumulated amortization and impairment losses, are amortised over a period of five (5) years.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Plant and Equipment, and Depreciation

All items of plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to initial recognition, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised in profit or loss as incurred.

The plant and equipment are depreciated on the straight line basis to write off the cost of the assets over their estimated useful lives. The annual rates used are as follows:

	%
Computers	20
Office equipment, furniture and fittings	20
Motor vehicle	20
Renovation	20

Fully depreciated assets are retained in the financial statements until they are no longer in use.

The carrying amounts of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

The residual values and useful lives of assets are reviewed at each financial year end, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the financial year the asset is derecognised.

d) Research and Development Costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

(i) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
(ii) the intention to complete the intangible asset and use or sell it;
(iii) the ability to use or sell the intangible asset;
(iv) how the intangible asset will generate probable future economic benefits;
(v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
(vi) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Research and Development Costs (Continued)

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at costs less accumulated amortisation and accumulated impairment losses. The average expected life of the development projects is five (5) years.

e) Financial instruments

Financial instruments are recognised in the statements of financial position when, and only when, the Group or the Company become a party to the contract provisions of the financial instruments.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

The Group or the Company categorise the financial instruments as follows:

i. Financial assets

Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market, trade and other receivables and cash and cash equivalents are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables financial assets are classified as current assets, except for those having settlement dates later than 12 months after the reporting date which are classified as non-current assets.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Financial instruments (Continued)

i. Financial assets (Continued)

Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are designated as available for sale or are not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

ii. Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

All financial liabilities are initially measured at fair value plus directly attributable transaction costs and subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Financial instruments (Continued)

ii. Financial liabilities (Continued)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss comprises financial liabilities that are held for trading, derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities that are specifically designated as fair value through profit or loss upon initial recognition.

The Group and the Company have not designated any financial liabilities at fair value through profit or loss.

Other financial liabilities

The Group's and the Company's other financial liabilities include trade payables and other payables.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

iii. Derecognition

A financial asset is derecognised when the contractual rights to receive cash flows from the asset has expired or is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in the profit or loss.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

f) Cash and Cash Equivalents

For the purpose of the statements of cash flows, cash and cash equivalents consist of cash in hand, bank balances, demand deposits and other short term and highly liquid investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are stated net of bank overdrafts, deposits and designated bank balances pledged to banks.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) Impairment of assets

i. Impairment of financial assets

All financial assets (except for financial assets categorised as fair value through profit or loss) are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment.

An impairment loss in respect of loans and receivables financial assets is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of available-for-sale financial assets is recognised in the profit or loss and is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised. Where a decline in fair value of an available-for-sale financial asset has been recognised in other comprehensive income, the cumulative loss in other comprehensive income is reclassified from equity and recognised to profit or loss.

An impairment loss in respect of unquoted equity instrument that is carried at cost is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment losses recognised in profit or loss for an investment in an equity instrument are not reversed through profit or loss.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amoritsed cost at the reversal date. The amount of reversal is recognised in profit or loss.

ii. Impairment of non-financial assets

The carrying amounts of non-financial assets, except for inventories and deferred tax assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment.

If any such indication exists, then the asset's recoverable amount is estimated. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) Impairment of assets (Continued)

ii. Impairment of non-financial assets (Continued)

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing-value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit or loss.

An impairment loss in respect of assets recognised in prior periods is assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

h) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

i) Revenue and other income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group or the Company and the revenue can be reliably measured. Revenue is measured at fair value of consideration received or receivable. The following specific recognition criteria must also be met before revenue is recognised:

i. Sales of goods and services rendered

Revenue from sale of goods and services rendered is recognised in the financial statements when the significant risks and rewards of ownerships of the goods have been transferred to the buyer or when services rendered.

ii. Interest income

Interest income is recognised as it accrues using the effective interest method.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) Employee benefits

i. Short-term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the financial year in which the associated services are rendered by employees of the Group and the Company. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

ii. Defined contribution plans

As required by the law, the Group and the Company make contributions to statutory pension funds, the Employee Provident Fund ("EPF"). Such contribution is recognised as an expense in the statements of comprehensive income as incurred.

k) Taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

i. Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year, using tax rates enacted or substantively enacted by the end of the reporting year, and any adjustment to tax payable in respect of previous financial periods.

ii. Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amounts of the assets and liabilities and their tax bases except where the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction, which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable income.

Deferred tax assets are recognised only to the extent that there are sufficient taxable temporary differences relating to the same taxation authority to offset or when it is probable that future taxable profit will be available against which the assets can be realisable. Deferred tax assets are reviewed at the end of each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realisable.

Deferred tax is measured at tax rates that are expected to apply in the period in which the assets are realised or the liabilities are settled, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if and only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

ORION IXL BERHAD

(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k) Taxes (Continued)

iii. Goods and Service Tax ("GST")

Revenue, expenses and assets are recognised net of GST, unless the GST is not recoverable from the tax authority. The amount of GST not recoverable from the tax authority is recognised as an expense or as part of cost of acquisition of an asset. Receivables and payables relate to such revenue, expenses or acquisitions of assets are presented in the statement of financial position inclusive of GST recoverable or GST payable.

GST recoverable from or payable to tax authority may be presented on net basis should such amounts are related to GST levied by the same tax authority and the taxable entity has a legally enforceable right to set off such amounts.

l) Foreign currencies

i. Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the functional currency which is the currency of primary economic environment in which the entity operates. The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

ii. Transactions and balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

iii. Foreign Operations

Assets and liabilities of foreign operations are translated to RM at the rates of exchange ruling at the end of the reporting period. Revenues and expenses of foreign operations are translated at exchange rates ruling at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity under the translation reserve. On the disposal of a foreign operation, the cumulative amount recognised in other comprehensive income relating to that particular foreign operation is reclassified from equity to profit or loss.

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period, except for those business combinations that occurred before the date of transition to MFRS which are treated as assets and liabilities of the Company and are not retranslated.

In the consolidated financial statements, when settlement of an intra group loan is neither planned nor likely to occur in the foreseeable future, the exchange differences arising from translating such monetary item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income.

ORION IXL BERHAD

(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m) Provisions

Provisions for liabilities are recognised when the Group and the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

n) Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Group and of the Company.

Contingent liabilities and assets are not recognised but disclosed (unless the probability of outflow of economic benefits is remote) in the financial statements of the Group and of the Company.

o) Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker, to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Additional disclosures on each of these segments are shown in Note 23, including factors used to identify the reportable segments and the measurement basis of segment information.

p) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market's participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

p) Fair value measurement (Continued)

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

q) Related parties

A party is related to an entity if:

i. directly, or indirectly through one or more intermediaries, the party:
   - control, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
   - has an interest in the entity that gives it significant influence over the entity; or
   - has joint control over the entity;

ii. the party is an associated of the entity; or
iii. the party is a joint venture in which the entity is a venturer; or
iv. the party is a member of the key management personnel of the entity or its parent; or
v. the party is a close member of the family of any individual referred to in (i) or (iv); or
vi. the party is an entity that is controlled, joint controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
vii. the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

Close members of the family of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's and the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustments to the carrying amount of the asset or liability affected in the future.

ORION IXL BERHAD

(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

a) Judgements made in applying accounting policies

In the process of applying the Group's and Company's accounting policies, the Directors are of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements excepts for the matter discussed below:

i) Impairment of development costs

An impairment loss is recognised for the amount by which the asset's or cash generating unit's carrying amount exceed its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash generating units and determines a suitable interest rate in order to calculate the present value of those cash flows.

In the process of measuring expected future cash flow, management makes assumptions about future operating results. These assumptions relate to future events and circumstance. The actual results may vary, and may cause significant adjustments to the Group's and Company's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

ii) Impairment on receivables

The Group and the Company makes impairment on receivables based on an assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of doubtful debts requires use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the receivables and doubtful debts expenses in the financial year in which such estimate has been changed.

b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material judgements to the carrying amounts of assets and liabilities within the next financial year are as stated below:

i) Depreciation, amortisation and useful life of plant equipment and development costs

Plant and equipment and development costs are depreciated/amortised on a straight-line basis to write off their costs to their residual values over their estimated useful life. Management estimates the useful lives of these assets to be 5 years for plant equipment and development costs.

The carrying amounts of the Group's and the Company's plant equipment and development costs as at 31 December 2016 are disclosed in Note 5 and Note 6 respectively to the financial statements.

Changes in the expected level of usage and physical wear and tear could impact the economic useful lives and the residual values of these assets, and therefore future depreciation/amortisation charges could be revised.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

5. PLANT AND EQUIPMENT

	Computers RM	Office equipment, furniture and fittings RM	Motor vehicle RM	Renovation RM	Total RM
Group					
At cost					
At 1 January 2016	614,836	207,330	351,716	242,270	1,416,152
Additions	7,589	16,735	-	-	24,324
Exchange fluctuation	2,421	342	-	-	2,763
At 31 December 2016	624,846	224,407	351,716	242,270	1,443,239
Accumulated depreciation					
At 1 January 2016	573,854	193,135	351,716	145,362	1,264,067
Charge for the financial year	28,982	10,059	-	48,454	87,495
Exchange fluctuation	1,986	300	-	-	2,286
At 31 December 2016	604,822	203,494	351,716	193,816	1,353,848
Carrying amount					
At 31 December 2016	20,024	20,913	-	48,454	89,391

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

5. PLANT AND EQUIPMENT (CONTINUED)

	Computers RM	Office equipment, furniture and fittings RM	Motor vehicle RM	Renovation RM	Total RM
Group					
At cost					
At 1 January 2015	597,970	213,648	351,716	242,270	1,405,604
Additions	6,383	2,660	-	-	9,043
Written off	-	(10,526)	-	-	(10,526)
Exchange fluctuation	10,483	1,548	-	-	12,031
At 31 December 2015	614,836	207,330	351,716	242,270	1,416,152
Accumulated depreciation					
At 1 January 2015	536,956	195,337	351,716	96,909	1,180,918
Charge for the financial year	29,040	6,779	-	48,453	84,272
Written off	-	(10,526)	-	-	(10,526)
Exchange fluctuation	7,858	1,545	-	-	9,403
At 31 December 2015	573,854	193,135	351,716	145,362	1,264,067
Carrying amount					
At 31 December 2015	40,982	14,195	-	96,908	152,085

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

5. PLANT AND EQUIPMENT (CONTINUED)

	Computers RM	Office equipment, furniture and fittings RM	Motor vehicle RM	Renovation RM	Total RM
Company					
At cost					
At 1 January 2016	561,439	199,765	351,716	242,270	1,355,190
Additions	7,589	16,735	-	-	24,324
At 31 December 2016	569,028	216,500	351,716	242,270	1,379,514
Accumulated depreciation					
At 1 January 2016	530,067	186,512	351,716	145,362	1,213,657
Charge for the financial year	24,869	9,845	-	48,454	83,168
At 31 December 2016	554,936	196,357	351,716	193,816	1,296,825
Carrying amount					
At 31 December 2016	14,092	20,143	-	48,454	82,689

ORION IXL BERHAD

(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

5. PLANT AND EQUIPMENT (CONTINUED)

	Computers RM	Office equipment, furniture and fittings RM	Motor vehicle RM	Renovation RM	Total RM
Company					
At cost					
At 1 January 2015	555,841	198,126	351,716	242,270	1,347,953
Additions	5,598	1,639	-	-	7,237
At 31 December 2015	561,439	199,765	351,716	242,270	1,355,190
Accumulated depreciation					
At 1 January 2015	506,385	179,815	351,716	96,909	1,134,825
Charge for the financial year	23,682	6,697	-	48,453	78,832
At 31 December 2015	530,067	186,512	351,716	145,362	1,213,657
Carrying amount					
At 31 December 2015	31,372	13,253	-	96,908	141,533

Included in plant and equipment of the Group and of the Company as at 31 December 2016 are fully depreciated plant and equipment which are still in use, with a cost of RM1,107,711 (2015: RM1,001,604) and RM1,063,769 (2015: RM963,673) respectively.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

6. DEVELOPMENT COSTS

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM	**RM**	**RM**	**RM**
At cost				
At 1 January	9,726,628	9,525,311	1,229,971	1,028,654
Addition during the financial year	20,568	201,317	20,568	201,317
Disposal during the financial year	(8,496,657)	-	-	-
At 31 December	1,250,539	9,726,628	1,250,539	1,229,971
Accumulated amortisation				
At 1 January	(7,124,998)	(6,242,382)	-	-
Amortisation during the financial year	(242,740)	(882,616)	(41,685)	-
Disposal during the financial year	7,326,053	-	-	-
At 31 December	(41,685)	(7,124,998)	(41,685)	-
Carrying amount				
At 31 December	1,208,854	2,601,630	1,208,854	1,229,971

Key Assumptions Used in Value-In-Use Calculations

The recoverable amount of development costs have been determined based on value-in-use calculations using five year financial projections. No revenue and expenses growth were projected from sixth year to perpetuity.

A discount rate of 6.6% (2015: 2.7%) was applied in determining the recoverable amount of the respective cash-generating unit. The discount rate was based on the weighted average cost of capital.

Sensitivity to Change in Assumptions

Management believes that no reasonable possible changes in any of the key assumptions that would cause the carrying values of the cash-generating unit to materially exceed their recoverable amounts.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

7. INVESTMENT IN SUBSIDIARIES

	Company 2016 RM	Company 2015 RM
Unquoted shares, at cost		
At 1 January	93,401	93,401
Disposal of a subsidiary during the financial year	(25,500)	-
At 31 December	67,901	93,401
Accumulated impairment losses		
At 1 January / 31 December	(67,901)	(67,901)
Carrying amount		
At 31 December	-	25,500

(a) The details of the subsidiaries are as follows:

Name of Subsidiaries	Country of Incorporation	Effective Interest 2016 %	Effective Interest 2015 %	Principal Activities
CWorks Sdn. Bhd.[1,2]	Malaysia	-	51	Dealing in telecommunication products and services
CWorks Systems Inc[3]	United States of America	51	51	Provision of computerised maintenance management systems and other information technology services such as systems integration, support services and training

[1] Not audited by ECOVIS AHL PLT.

[2] During the financial year, CWorks Sdn. Bhd. was deemed disposed upon the reduction of effective interest from 51% to 17%.

[3] The audited reports of this subsidiary contain an emphasis of matter relating to the appropriateness of the going concern basis used in the preparation of its financial statements. The Company has confirmed to provide continued financial support to this subsidiary to continue its business without any significant curtailment of its operations.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

7. INVESTMENT IN SUBSIDIARIES (Continued)

Disposal of a subsidiary

On 20 April 2016, a 51% owned subsidiary, CWorks Sdn Bhd ("CSB") increased its issued and paid-up capital by way of subscription of 100,000 ordinary shares at RM1 per share by Encik Rohizan @ Rohaizan Abdullah and another existing shareholder of CSB as Management Buy In. With the issuance of the RM100,000 ordinary shares, the Group's equity shareholding has reduced from 51% to 17% and CSB is deemed disposed and ceased to be subsidiary of the Group.

The deemed disposal of CSB has the following financial effects to the Group as at the end of the current financial year.

	At the date of disposal RM
Development costs (Note 6)	1,170,604
Receivables	4,519,083
Cash and bank balances	1,073,423
Payables	(6,786,479)
Net liabilities	(23,369)
Net liabilities disposed (at 51%)	(11,919)
Total disposal proceeds settle by cash	-
Gain on disposal to the Group	(11,919)
Gain on re-measurement of interest retained in CSB	(76,500)
Total gain on disposal to the Group (Note 18)	(88,419)
Cash outflow arising on disposals:	
Cash consideration	-
Cash and bank balances of subsidiary disposed	(1,073,423)
Net cash outflow on disposal	(1,073,423)

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

8. OTHER INVESTMENT

	Group/Company	
	2016	2015
	RM	RM
Unquoted share, at cost	25,500	-

Investment in unquoted shares designated as available-for-sale financial assets, is stated at cost as their fair values cannot be reliably measured using valuation techniques due to lack of marketability of the shares.

9. TRADE RECEIVABLES

	Group		Company	
	2016	2015	2016	2015
	RM	RM	RM	RM
Trade receivables	468,796	4,304,154	392,200	-
Less: Allowance for impairment	-	(64,253)	-	-
	468,796	4,239,901	392,200	-

Trade receivables comprise amounts receivable for sales of goods and services rendered. The Group's and the Company's normal trade credit terms ranges from 14 to 90 days (2015: 60 to 90 days) and 30 to 90 days (2015: 60 to 90 days) respectively. Other credit terms are assessed and approved on a case by case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

9. TRADE RECEIVABLES (Continued)

Ageing analysis on trade receivables

The ageing analysis of the Group's and the Company's trade receivables are as below:

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM	**RM**	**RM**	**RM**
Neither past due nor impaired	382,542	1,152,117	381,600	-
Past due but not impaired				
1 to 30 days past due but not impaired	12,861	762,808	-	-
31 to 60 days past due but not impaired	1,776	73,142	-	-
61 to 90 days past due but not impaired	29,697	-	-	-
More than 90 days past due but not impaired	41,920	2,251,834	10,600	-
	86,254	3,087,784	10,600	-
Impaired	-	64,253	-	-
	468,796	4,304,154	392,200	-

Trade receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group.

None of the trade receivables that are neither past due nor impaired have been negotiated during the financial year.

Trade receivables that are past due but not impaired

The Group has not made any allowance for impairment for receivables that are past due but not impaired as there has not been a significant change in the credit quality of these receivables and the amounts due are still recoverable.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date the credit was initially granted up to the reporting date. The Group has policies in place to ensure that credit is extended only to customers with acceptable credit history and payment track records. Allowances for impairment are made on specific trade receivable when there is objective evidence that the Group will not able to collect the amounts due.

The Directors are of the opinion that no impairment is required based on past experience and the likelihood of recoverability of these receivables.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

9. TRADE RECEIVABLES (Continued)

Receivables that are impaired

The Group's and Company's trade receivables that are impaired at the reporting date and the movement of the impairment are as follows:

	Group	
	2016	**2015**
	RM	**RM**
Individually impaired		
Trade receivables		
- Nominal amounts	-	64,253
Less: Allowance for impairment	-	(64,253)
	-	-

Receivables that are individually determined to be impaired at the reporting date relate to receivables that are in significant financial difficulties and have defaulted on payments or the Directors are of the opinion that it is not recoverable.

The movement of the allowance accounts used to record the impairment are as follows:

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM	**RM**	**RM**	**RM**
At 1 January	64,253	2,093,767	-	1,670,422
Charge for the financial year (Note 18)	125,544	24,911	-	-
Reversal of impairment no longer required (Note 18)	-	(195,723)	-	(106,622)
Allowance written off during the financial year	(40,112)	(1,866,938)	-	(1,563,800)
Deemed disposal of a subsidiary	(149,685)	-	-	-
Exchange differences	-	8,236	-	-
At 31 December	-	64,253	-	-

Trade receivables that are individually determined to be impaired at the reporting date relate to receivables that are defaulted on payments or the Directors are of the opinion that it is not recoverable. These receivables are not secured by any collateral or credit enhancements.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

9. TRADE RECEIVABLES (CONTINUED)

The currency profile of trade receivables are as follows:

	Group		Company	
	2016	2015	2016	2015
	RM	RM	RM	RM
Ringgit Malaysia	392,200	3,651,655	392,200	-
United State Dollar	76,596	588,246	-	-
	468,796	4,239,901	392,200	-

10. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2016	2015	2016	2015
	RM	RM	RM	RM
Presented as:				
Non-Current	2,949,488	-	2,949,488	-
Current	3,405,683	1,101,929	3,342,543	134,923
	6,355,171	1,101,929	6,292,031	134,923
Other receivables	5,640,162	955,362	5,640,162	-
Deposits	52,954	53,490	48,164	48,164
Prepayments	662,055	93,077	603,705	86,759
	6,355,171	1,101,929	6,292,031	134,923

Included in other receivables of the Group and of the Company is an amount of RM5,589,488 which represents amount owing by CWorks Sdn. Bhd., a subsidiary which had been disposed during the current financial year.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

10. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

The movement of the allowance accounts used to record the impairment are as follows:

	Group	
	2016	**2015**
	RM	**RM**
At 1 January	-	-
Charge for the financial year (Note 18)	480,006	-
Deemed disposal of a subsidiary	(480,006)	-
At 31 December	-	-

The currency profile of other receivables, deposits and prepayments are as follows:

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM	**RM**	**RM**	**RM**
Ringgit Malaysia	6,292,031	1,032,985	6,292,031	134,923
United State Dollar	63,140	68,944	-	-
	6,355,171	1,101,929	6,292,031	134,923

11. AMOUNT OWING BY SUBSIDIARIES

The amount owing by subsidiaries represented non-trade transactions which are unsecured, non-interest bearing and repayable on demand.

	Company	
	2016	**2015**
	RM	**RM**
Other receivables	1,086,978	7,282,767
Less: Allowance for impairment (Note 18)	(1,086,978)	-
At 31 December	-	7,282,767

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

12. SHARE CAPITAL

	Group/Company			
	2016		2015	
	No. of shares	RM	No. of shares	RM
Authorised				
At 1 January/31 December	250,000,000	25,000,000	250,000,000	25,000,000
Issued and fully paid				
At 1 January	121,001,320	12,100,132	121,001,320	12,100,132
Issuance of shares	12,100,100	1,210,010	-	-
At 31 December	133,101,420	13,310,142	121,001,320	12,100,132

During the financial year, the Company increased its issued and paid-up capital from RM12,100,132 to RM13,310,142 via the issuance of private placement of 12,100,100 new ordinary shares of RM0.10 each at an issue price of RM0.265 per share.

The ordinary shares issued rank pari passu in all respect with the existing shares of the Company.

13. RESERVES

		Group		Company	
		2016	2015	2016	2015
	Note	RM	RM	RM	RM
Non-distributable					
Share premium	a	4,858,284	3,057,439	4,858,284	3,057,439
Exchange reserve	b	(410,463)	(339,209)	-	-
		4,447,821	2,718,230	4,858,284	3,057,439
Distributable					
Accumulated losses	c	(8,204,788)	(7,089,265)	(8,334,797)	(5,993,988)
		(3,756,967)	(4,371,035)	(3,476,513)	(2,936,549)

Non-distributable reserves are not distributable by way of dividends.

Movements of the reserves are shown in the statements of changes in equity.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

13. RESERVES (CONTINUED)

(a) Share premium

	Group/Company	
	2016	2015
	RM	RM
At 1 January	3,057,439	3,057,439
Issuance of 12,100,100 new ordinary shares of RM0.10 each at premium of RM0.165 per share	1,996,517	-
Share issuance expenses	(195,672)	-
At 31 December	4,858,284	3,057,439

(b) Exchange reserve

Exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign subsidiary.

(c) Accumulated losses

Under to single-tier tax system, tax on the Company's profits is the final tax and accordingly, any dividends to the shareholders are not subject to tax.

14. DEFERRED TAX LIABILITIES

	Group	
	2016	2015
	RM	RM
At 1 January	371,523	364,336
Recognised in profit or loss (Note 19)	(211,827)	7,187
Disposal of a subsidiary	(159,696)	-
At 31 December	-	371,523

The components of the deferred tax liabilities recognised are as follows:

	Group	
	2016	2015
	RM	RM
Tax effects of:		
- deductible temporary differences	-	371,523

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

14. DEFERRED TAX LIABILITIES

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Unabsorbed capital allowances	137,201	117,396	137,201	117,396
Unutilised tax losses	8,728,413	7,804,381	8;728,413	7,804,381
	8,865,614	7,921,777	8,865,614	7,921,777
Deferred tax assets at 24% (2015: 24%)	2,127,747	1,901,226	2,127,747	1,901,226

Deferred tax assets have not been recognised as it is not probable that there is sufficient future taxable profit to utilise there items.

15. TRADE PAYABLES

Trade payables of the Group are non-interest bearing and are generally on 60 (2015: 60) days terms.

The currency profile of trade payables are as follows:

	Group	
	2016 RM	2015 RM
Ringgit Malaysia	-	60,468
United State Dollar	6,995	22,254
	6,995	82,722

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

16. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Other payables	1,085,691	173,008	420,319	99,291
Accruals	167,517	280,456	140,480	85,190
Deposits received	250	30,619	250	14,836
	1,253,458	484,083	561,049	199,317

The currency profile of other payables and accruals are as follows:

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Ringgit Malaysia	561,049	382,667	561,049	199,317
United State Dollar	692,409	101,416	-	-
	1,253,458	484,083	561,049	199,317

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

17. DEFERRED INCOME

	Group	
	2016	**2015**
	RM	**RM**
Current portion	246,338	148,234

Deferred income represents advance receipts from maintenance arrangement. These arrangements ranged from one to twelve months (2015: one to twelve months) for the Group. Deferred income is recognised in profit and loss upon the commencement of the arrangement and is amortised on a straight line basis over the arrangement period.

The movements of deferred income during the financial year are as below:

	Group	
	2016	**2015**
	RM	**RM**
At 1 January	148,234	147,844
Amortisation during the financial year	(154,953)	(165,147)
Advance receipts during the financial year	246,338	148,232
Exchange differences	6,719	17,305
At 31 December	246,338	148,234

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

18. LOSS BEFORE TAX

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Loss before tax is stated after charging:				
Allowance for impairment on				
- trade receivables (Note 9)	125,544	24,911	-	-
- other receivables (Note 10)	480,006	-	-	-
- amount due by a subsidiary (Note 11)	-	-	1,086,978	-
Amortisation of development costs (Note 6)	242,740	882,616	41,685	-
Auditors' remuneration	74,260	92,131	73,000	28,000
Depreciation of plant and equipment (Note 5)	87,495	84,272	83,168	78,832
Rental of office premises	214,752	217,326	152,856	152,856
Staff and labour costs	2,436,291	3,371,994	1,972,551	2,640,444
Unwinding of discount	111,259	-	111,259	-
And crediting:				
Bad debts recovered	314,238	-	14,250	-
Gain on deemed disposal of investment in subsidiary (Note 7)	88,419	-	-	-
Interest income	25,645	662	25,645	662
Reversal of impairment loss on trade receivables (Note 9)	-	195,723	-	106,622
Rental income	22,928	-	22,928	-
Realised gain on foreign exchange	16,508	209,267	-	-
Unrealised gain on foreign exchange	-	-	46,753	199,718

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

18. LOSS BEFORE TAX (CONTINUED)

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM	**RM**	**RM**	**RM**
Staff and labour costs comprise:				
Directors' remuneration	463,182	976,612	463,182	779,994
Salaries, wages, allowance, overtime and bonus	1,800,440	2,144,795	1,342,366	1,631,584
EPF	161,898	235,980	156,670	215,858
SOCSO	10,771	14,607	10,333	13,008
	2,436,291	3,371,994	1,972,551	2,640,444
Directors' remuneration				
Fees	174,000	296,000	174,000	296,000
Salaries and other emoluments	257,525	627,568	257,525	430,950
EPF	30,933	51,804	30,933	51,804
SOCSO	724	1,240	724	1,240
	463,182	976,612	463,182	779,994

19. TAX EXPENSE

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM	**RM**	**RM**	**RM**
Income Tax	-	71,682	-	-
Deferred tax assets (Note 14)				
- current financial year	-	7,187	-	-
- overprovision in prior financial year	(211,827)	-	-	-
	(211,827)	7,187	-	-
Tax expense for the financial year	(211,827)	78,869	-	-

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

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

19. TAX EXPENSE (CONTINUED)

The numerical reconciliation between loss before tax at the statutory tax rate to tax expense at the effective tax rate of the Group and the Company are as follows:

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM	**RM**	**RM**	**RM**
Loss before tax	(2,070,474)	(1,380,315)	(2,340,809)	(675,963)
Tax at statutory tax rate of 24% (2015: 25%)	(496,914)	(345,079)	(561,794)	(168,991)
Tax effects in respect of:				
Different tax rates in other country	40,628	32,314	-	-
Non-allowable expenses	229,765	264,570	335,273	40,296
Deferred tax assets not recognised during the financial year	226,521	78,381	226,521	64,532
Underprovision of deferred tax asset in prior year	(211,827)	-	-	-
Change in tax rate	-	48,683	-	64,163
Tax expenses for the financial year	(211,827)	78,869	-	-

20. LOSS PER SHARE

Basic loss per ordinary share

The basic loss per ordinary share is calculated by dividing the Group's loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2016	**2015**
	RM	**RM**
Loss attributable to ordinary shareholders of the Company	(1,115,523)	(1,163,868)
Issued ordinary shares at beginning of the financial year	121,001,320	121,001,320
Effect of ordinary shares issued	5,271,002	-
Weighted average number of ordinary shares	126,272,322	121,001,320
Basic loss per ordinary share (sen)	(0.88)	(0.96)

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

20. LOSS PER SHARE (CONTINUED)

Diluted loss per ordinary share

The calculation of diluted loss per ordinary share is the same with basic loss per ordinary share as there are no dilutive potential ordinary shares.

21. SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Identities of related parties

In addition to the information detailed elsewhere in the financial statements, the Company has related party relationships with its Directors, key management personnel and entities within the same group of companies.

(b) Other than those disclosed elsewhere in the financial statements, the Company also carried out the following significant transactions with the related parties during the financial year:

	Company	
	2016	**2015**
	RM	**RM**
Sales to CWorks Sdn. Bhd., a subsidiary	347,465	2,883,165
Purchase from CWorks Sdn. Bhd., a subsidiary	(10,000)	(10,000)

22. OPERATING LEASE COMMITMENTS

As at 31 December 2016, the Group and the Company have the following operating lease commitments in respect of rental of office premises. The future minimum lease payments under operating leases are follows:

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM	**RM**	**RM**	**RM**
Payable within one year	162,485	181,656	70,059	152,856
Payable between two and five years	30,809	70,059	-	70,059
	193,294	251,715	70,059	222,915

23. SEGMENTAL INFORMATION

Segmental information is presented only in respect of the Group's geographical segments by location of customers. There is no information on business segments as the Group is principally involved in the provision of computerised maintenance management systems and other information technology services such as systesms intergration, support services and training.

Segment results, assets and liabilities include items directly attributable to segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one year.

Intersegment pricing is determined on an arm's length basis under terms, conditions and prices not materially different from transactions with unrelated parties.

	Malaysia		United States of America		Elimination		Total	
	2016 RM	2015 RM	2016 RM	2015 RM	2016 RM	2015 RM	2016 RM	2015 RM
REVENUE	2,734,544	6,497,121	964,451	794,607	(337,465)	(2,873,165)	3,361,530	4,418,563
RESULTS								
Segment operating result	(2,839,676)	(1,196,325)	(232,162)	(184,652)	1,086,978	-	(1,984,860)	(1,380,977)
Interest income							25,645	662
Interest expenses							(111,259)	-
Loss before tax							(2,070,474)	(1,380,315)
Income tax expense							211,827	(78,869)
Loss after tax							(1,858,647)	(1,459,184)
Non-controlling interest							743,124	295,316
Loss attributable to owners of the Company							(1,115,523)	(1,163,868)

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

23. SEGMENTAL INFORMATION (CONTINUED)

	Malaysia		United States of America		Elimination		Total	
	2016 RM	2015 RM	2016 RM	2015 RM	2016 RM	2015 RM	2016 RM	2015 RM
OTHER INFORMATION								
Segment assets	10,394,678	16,649,771	157,693	256,282	-	(7,843,634)	10,552,371	9,062,419
Segment liabilities	561,049	6,757,363	2,032,720	1,827,893	(1,086,978)	(7,798,535)	1,506,791	786,721
Capital expenditure	24,324	208,554	-	1,806	-	-	24,324	210,360
Depreciation and amortisation	325,908	961,448	4,327	5,440	-	-	330,235	966,888
Other material non-cash expense/(income) consist of the following items:								
Allowance for impairment loss on								
- trade receivables	125,544	22,980	-	1,931	-	-	125,544	24,911
- other receivables	480,006	-	-	-	-	-	480,006	-
Gain on disposal of a subsidiary	(88,419)	-	-	-	-	-	(88,419)	-

24. FINANCIAL INSTRUMENTS

24.1 Classification of Financial Instruments

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Loans and receivables			
	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Financial assets				
Other investment	25,500	-	25,500	-
Trade receivables	468,796	4,239,901	392,200	-
Other receivables and deposits (exclude prepayment)	5,693,116	1,008,852	5,688,326	48,164
Amount owing by subsidiaries	-	-	-	7,282,767
Deposits with licensed banks	-	11,004	-	11,004
Cash and bank balances	2,404,659	955,870	2,393,404	537,202
	8,592,071	6,215,627	8,499,430	7,879,137

	Finance liabilities at amortised cost			
	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Financial liabilities				
Trade payables	6,995	82,722	-	-
Other payables and accruals	1,253,458	484,083	561,049	199,317
	1,260,453	566,805	561,049	199,317

24.2 Financial Risk Management Policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its market risks (including foreign exchange currency risk), credit risk and liquidity risk.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

24. FINANCIAL INSTRUMENTS (CONTINUED)

24.2 Financial Risk Management Policies (Continued)

(a) Market risk

Foreign Currency Exchange Risk

The Group is exposed to foreign currency risk on transactions and balances that were denominated in foreign currencies. The currencies gave rise to this risk were primarily in United State Dollar ("USD"). Foreign currency risk was monitored closely and managed to an acceptable level.

The Group's exposure to foreign currency is as follows:

	USD	
	2016	**2015**
Group	**RM**	**RM**
Financial Assets		
Trade receivables	76,596	588,246
Other receivables and deposits (exclude prepayment)	4,790	4,582
Cash and bank balances	11,255	43,681
	92,641	636,509
Financial Liability		
Trade payables	6,995	22,254
Other payables and accruals	692,409	101,416
	699,404	123,670

Foreign currency exchange risk sensitivity analysis

A 10% strengthening of the RM against the foreign currencies at the end of the reporting period would have increased/(decreased) loss before tax by approximately RM60,676 (2015: RM51,284). A 10% weakening in the foreign currencies would have had an equal but opposite effect on the loss before tax. This assumes that all other variables remain constant.

(b) Credit risk

Credit risk is the risk of a financial loss to the Group and Company that may arise if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposure to credit risk arises principally from its loans and receivables. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

ORION IXL BERHAD

(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

24. FINANCIAL INSTRUMENTS (CONTINUED)

24.2 Financial Risk Management Policies (Continued)

(b) Credit risk (Continued)

(i) Receivables

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of the trade and other receivables as appropriate. The main components of this allowance are a specific loss component that relates to individually significant exposures.

Credit risk concentration profile

The Group's major concentration of credit risk relates to the amount owing by 1 (2015: 3) customers which constituted 81% (2015: 59%) of its trade receivables as at the end of the reporting period.

Exposure to credit risk

As the Group does not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets as at the end of the reporting period.

The exposure of credit risk for trade receivables as at end of the financial year by geographic region was:

	Group	
	2016	**2015**
	RM	**RM**
Domestic	392,200	3,651,655
United State Dollar	76,596	588,246
	468,796	4,239,901

(ii) Inter-company balances

The Company provides unsecured loans and advances to its subsidiaries.

As at the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount in the statement of financial position. There was no indication that the loans and advances to subsidiaries are not recoverable. The Company does not specifically monitor the ageing of the advances to the subsidiaries. Nevertheless, these advances are repayable on demand.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

24. FINANCIAL INSTRUMENTS (CONTINUED)

24.2 Financial Risk Management Policies (Continued)

(c) Liquidity risk

Liquidity risk arises mainly from general funding and business activities. The Company practises prudent risk management by maintaining sufficient cash balances and internally generated funds.

Analysis of financial instruments by remaining contractual maturities

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on undiscounted contractual cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):

	Carrying Amount RM	Undiscounted Contractual Cash Flows RM	On demand or within one year RM	Two to five years RM	More than five years RM
Financial liabilities					
Group					
2016					
Trade payables	6,995	6,995	6,995	-	-
Other payables and accruals	1,253,458	1,253,458	1,253,458	-	-
	1,260,453	1,260,453	1,260,453	-	-
2015					
Trade payables	82,722	82,722	82,722	-	-
Other payables and accruals	484,083	484,083	484,083	-	-
	566,805	566,805	566,805	-	-
Company					
2016					
Other payables and accruals	561,049	561,049	561,049	-	-
2015					
Other payables and accruals	199,317	199,317	199,317	-	-

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

24. FINANCIAL INSTRUMENTS (CONTINUED)

24.3 Fair values of financial instruments

The carrying amounts of financial instruments of the Group and the Company at the end of the reporting period approximated their fair value except as set out below:

	Group/Company	
	2016	**2015**
	RM	**RM**
Financial Asset		
Other investment		
- unquoted shares	25,500	-

It is not practical to estimate the fair value of the Group's and Company's investment in unquoted corporation because of the lack of quoted market prices and the inability to estimate fair value without incurring excessive costs.

The following summaries the methods used to determine the fair values of the financial instruments:

(i) The carrying amounts approximate fair values due to the relatively short term maturity of these financial instruments.

(ii) Available-for-sale financial asset of the Group and the Company comprised unquoted shares in Malaysia. It was not practicable to estimate the fair value of this investment due to the lack of comparable quoted market prices.

The fair values of other financial assets and financial liabilities of the Group and the Company approximate their carrying value and the Group and the Company does not anticipate the carrying amounts recorded at the end of the reporting period to the significantly different from the value that would eventually be settled or received.

24.4 Fair Value Hierarchy

As at the end of the reporting period, there were no financial instruments carried at fair values.

ORION IXL BERHAD

(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

25. COMPARATIVES

Certain comparative amounts have been reclassified to conform with current year's presentation.

26.SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

a) On 5 February 2016, Orion IXL Berhad ("Orion") (formerly known as CWorks Systems Berhad) had entered into an agreement with PPYC Logistic (Malaysia) Sdn. Bhd. ("PPYC") for the design, development and supply by CWorks of the System at a purchase price of RM5.30 million payable by PPYC and the maintenance of the System by CWorks at an aggregate maintenance fee of RM2.68 million payable by PPYC for a period of four (4) years after installation of the System (the "Contract"). The agreement does state whether the Contract is renewable.

   However, Orion and PPYC had mutually agreed to terminate the agreement on 9 November 2016 as both parties were unable to agree on the detailed specification of the system to be developed.

b) On 17 October 2016, Orion had entered into a share sale agreement with Dato" Paduka Mohamad Sharaff bin Haji Mohamad Shariff, Prabuddha Kumar Pronob Chakravertty and Lilibeth Gamboa Belinario for the acquisition of the entire equity interest in ASAP Berhad ("ASAP") for a total purchase consideration of RM73,000,000 ("Proposed Acquisition").

   In conjunction with the Proposed Acquisition, the Company proposes to undertake the following corporate proposals:

   (i) Proposed rights issue of 266,202,840 new ordinary shares of RM0.10 each in Orion ("Orion Shares") ("Rights Shares") together with up to 133,101,420 free detachable warrants ("Warrants") at an indicative issue price of RM0.17 per Rights Share on the basis of two (2) Rights Shares for every one (1) existing Orion Share held at an entitlement date to be determined later together with one (1) free Warrant for every two (2) Rights Share subscribed;

   (ii) Proposed increase in the authorised share capital of the Company from RM25,000,000 comprising 250,000,000 Orion Shares to RM100,000,000 comprising 1,000,000,000 Orion Shares; and

   (iii) Proposed amendment to the Memorandum & Articles of Association of the Company in order to facilitate the Proposed IASC.

   On 16 December 2016, the listing application in relation to the Proposed Acquisition and Proposed Rights Issue with Warrants has been submitted to Bursa Securities.

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

27. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic condition. To maintain or adjust capital structure, the Group may adjust the dividend payment, returning of capital to shareholders or issuing new shares.

	Group	
	2016	**2015**
	RM	**RM**
Trade payables	6,995	82,722
Other payables and accruals	1,253,458	484,083
Less: Deposits with licensed banks	-	(11,004)
Less: Cash and bank balances	(2,404,659)	(955,870)
Net debt	(1,144,206)	(400,069)
Total equity	9,045,580	7,904,175
Total net debt and equity	7,901,374	7,504,106
Debt to net debt and equity ratio	(15%)	(5%)

ORION IXL BERHAD
(formerly known as CWorks Systems Berhad)
(Incorporated in Malaysia)
Company No. 554979-T

28. SUPPLEMENTARY FINANCIAL INFORMATION ON THE BREAKDOWN OF REALISED AND UNREALISED PROFITS OR LOSSES

The breakdown of the accumulated losses of the Group and of the Company at the end of the reporting period into realised and unrealised profits/(losses) are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, as follows:

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Total accumulated losses				
- realised	(8,204,788)	(7,104,827)	(8,334,797)	(6,240,935)
- unrealised	-	15,562	-	246,947
	(8,204,788)	(7,089,265)	(8,334,797)	(5,993,988)