

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 12 MONTHS PERIOD ENDED 31 MARCH 2018**

	Individual Quarter		Changes	Cumulative Quarter		Changes
	2018 quarter ended 31/03/2018	2017 quarter ended 31/03/2017		2018 current period to date 31/03/2018	2017 proceeding period to date 31/03/2017	
	Unaudited RM'000	audited RM'000		Unaudited RM'000	audited RM'000	
Revenue	205	1,305	-84%	2,104	2,512	-16%
Cost of Sales	(210)	(500)	-58%	(1,333)	(1,013)	32%
Gross Profit/(loss)	(5)	805	-101%	772	1,499	-49%
Other income	405	96	322%	880	373	136%
Selling and distribution expenses	(16)	(29)	-46%	(45)	(29)	56%
Administration expenses	(2,418)	(1,057)	129%	(4,991)	(1,692)	195%
Other expenses	(97)	-	-100%	(624)	(518)	20%
Share of loss of joint venture	(21)	-	-100%	(21)	-	-100%
Loss from operations	(2,151)	(185)	1062%	(4,030)	(367)	998%
Finance cost	-	(2)	-100%	-	(2)	-100%
Loss before taxation	(2,151)	(187)	1050%	(4,030)	(369)	992%
Income tax	-	-		(0)	-	
Loss after taxation	(2,151)	(187)	1050%	(4,030)	(369)	992%
Loss attributable to :						
Owners of the parent	(1,999)	(191)	947%	(3,884)	(205)	1794%
Non controlling Interest	(152)	4		(146)	(164)	
	(2,151)	(187)	1050%	(4,030)	(369)	992%
Total comprehensive expense attributable to :						
Owners of the parent	(1,999)	(191)	947%	(3,884)	(205)	1794%
Non controlling Interest	(152)	4		(146)	(164)	
	(2,151)	(187)	1050%	(4,030)	(369)	992%
Basic loss per ordinary share attributable to:						
Owners of the parent (Sen)	(0.30)	(0.10)		(0.58)	(0.11)	

The condensed consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2017.

MLABS SYSTEMS BERHAD
(Incorporated in Malaysia - Company No. 653227-V)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	As At 31/03/2018 Unaudited RM'000	As At 31/03/2017 Audited RM'000
Non-current assets		
Property, plant & equipment	1,331	869
Intangible assets	1,158	1,817
Investment in joint venture	29	-
Other investment	13	13
Other receivable	300	-
Total non-current assets	2,831	2,699
Current assets		
Inventories	698	176
Trade receivables	1,469	2,237
Other receivables	16,343	-
Cash & bank balances	1,463	138
Other investment funds	43,396	-
Total current assets	63,369	2,551
Total assets	66,200	5,250
Equity		
Share capital	30,626	9,343
Warrant reserve	43,930	-
Fair value adjustment reserve	1	1
Accumulated losses	(8,278)	(4,395)
	66,278	4,949
Non-controlling interest	(299)	(153)
Total equity	65,979	4,796
Current liabilities		
Payables	213	454
Taxation	8	-
Total current liabilities	221	454
Total equity and liabilities	66,200	5,250
Net asset per share attributable to ordinary equity holder (Sen)	2.15	5.13

NOTE:

The condensed consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2017.

MLABS SYSTEMS BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE 12 MONTHS PERIOD ENDED 31 MARCH 2018

	12 months ended 31/3/2018 UNAUDITED RM'000	12 months ended 31/03/2017 AUDITED RM'000
Profit/(loss) before taxation	(4,030)	(369)
Amortisation of intangible assets	619	233
Bad debts written off	-	228
Depreciation & amortisation	236	153
Stock written off	89	-
Loss/(Gain) on disposal of PPE	323	(31)
PPE written off	12	-
Impairment loss of intangible assets	40	-
Impairment loss of trade receivables	-	141
Impairment loss of other receivables	(6)	140
Impairment loss of goodwill	-	104
Recovery of impairment of Trade debtors	-	(151)
Write back on trade receivables	-	(141)
Finance and other distribution income	(870)	-
Share option granted under ESOS	831	-
Share of loss of joint venture	21	-
Interest expenses	-	2
	<u>(2,735)</u>	<u>309</u>
(Increase)/Decrease in inventories	(611)	932
Increase in receivables	(15,868)	(1,298)
Decrease in payables	(234)	(224)
Cash used in operating activities	<u>(19,448)</u>	<u>(281)</u>
Cash flow from investing activities		
Interest received	870	-
Acquisitions of:		
- Property, plant and equipment	(1,032)	(358)
- Joint venture	(50)	-
Proceeds from disposal of property, plant & equipment	-	31
Other investment	(43,396)	-
Interest paid	-	(2)
Cash used in investing activities	<u>(43,608)</u>	<u>(329)</u>
Cash flows from financing activities		
Proceeds from issue of shares	56,057	-
Proceeds from ESOS	7,360	-
Proceeds from conversion of warrants	964	-
Repayment of Hire Purchase Borrowing	-	(36)
Cash generated from financing activities	<u>64,381</u>	<u>(36)</u>
Net increase/(decrease) in cash & cash equivalents	1,325	(646)
Cash & cash equivalents at the beginning of financial year	138	784
Cash & cash equivalents at the end of financial year	<u>1,463</u>	<u>138</u>
Cash and cash equivalents at end of the financial year comprises:	(0)	
Cash and bank balances	<u>1,463</u>	<u>138</u>

NOTE:

The condensed consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 March 2017.

MLABS SYSTEMS BERHAD
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 12 MONTHS PERIOD ENDED 31 MARCH 2018**

12 Months period ended 31 March 2018	Share capital RM'000	Share premium RM'000	Reserve RM'000	Accumulated Profit/ (Loss) RM'000	Minority Interest RM'000	Total RM'000
Balance as at 1 April 2017	9,343	-	-	(4,395)	(153)	4,795
Issuance of shares	57,021	-	-	-	-	57,021
Minority Interest	-	-	-	-	(146)	(146)
Profit/ (Loss) for the period	-	-	-	(3,883)	-	(3,883)
ESOS issued and fully exercised	8,192	-	-	-	-	8,192
Balance at 31 March 2018	74,556	-	-	(8,278)	(299)	65,979

12 Months period ended 31 March 2017	Share capital RM'000	premium RM'000	Reserve RM'000	Losses RM'000	Interest RM'000	Total RM'000
Balance as at 1 April 2016	9,343	-	-	(4,190)	11	5,165
Par Value Reduction	-	-	-	-	-	-
Issuance of Shares	-	-	-	-	-	-
Minority Interest	-	-	-	-	(164)	(164)
Loss for the period	-	-	-	(205)	-	(205)
Balance at 31 March 2017	9,343	-	-	(4,395)	(153)	4,796

NOTE:

The condensed consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2017

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**EXPLANATORY NOTES TO QUARTERLY FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2018**

**PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL
REPORTING STANDARD 134 (“MFRS 134”) INTERIM FINANCIAL
REPORTING**

A1. BASIS OF PREPARATION

The interim financial statements are audited and have been prepared in accordance with the requirements outlined in the Malaysian Financial Reporting Standards (“MFRSs”) No.134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), and Paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Securities”) ACE Market Listing Requirements (“ACE Listing Requirements”) and should be read in conjunction with the audited financial year ended 31 March 2017. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2017.

A2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted by the Group in the preparation of the Condensed Report are consistent with those followed in the preparation of the Group's audited financial statements for the financial year ended 31 March 2017, except for the adoption of Amendments to Standards effective for the annual periods beginning on or after 1 January 2017 :-

Adoption of Amendments to Standards

The Group has adopted the following Amendments to Standards, with a date of initial application of 1 January 2017.

MFRSs / Amendments to MFRSs	Effective for annual periods beginning on or after
Amendments to MFRS 112 <i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017
Amendments to MFRS 107 <i>Disclosure Initiative</i>	1 January 2017
Amendments to MFRS 12 <i>Annual Improvements to MFRS Standards 2014 - 2016 Cycle</i>	1 January 2017

The adoption of the above pronouncements did not have any impact on the financial statements of the Group and of the Company.

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EXPLANATORY NOTES TO QUARTERLY FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2018

A2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Standards issued but not yet effective

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

MFRSs / Amendments to MFRSs	Effective for annual periods beginning on or after
Amendments to MFRS 1 <i>Annual Improvements to MFRS Standards 2014 - 2016 Cycle</i>	1 January 2018
MFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2018
Clarification to MFRS 15	1 January 2018
MFRS 9 <i>Financial Instruments (IFRS as issued by IASB in July 2014)</i>	1 January 2018
Amendments to MFRS 2 <i>Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018
Amendments to MFRS 128 <i>Annual Improvements to MFRS Standards 2014 - 2016 Cycle</i>	1 January 2018
IC Interpretation 22 <i>Foreign Currency Transactions and Advance Consideration</i>	1 January 2018
Amendments to MFRS 140 <i>Transfers of Investment Property</i>	1 January 2018
Amendments to MFRS 4 <i>Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts</i>	See MFRS 4 Paragraphs 46 and 48
MFRS 16 <i>Leases</i>	1 January 2019
IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
Amendments to MFRS 128 <i>Long-term Interests in Associates and Joint Ventures</i>	1 January 2019
Amendments to MFRS 9 <i>Prepayment Features with Negative Compensation</i>	1 January 2019
Amendments to MFRS 3 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 11 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 112 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 123 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 119 <i>Plan Amendment, Curtailment or Settlement</i>	1 January 2019
MFRS 17 <i>Insurance Contracts</i>	1 January 2021
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

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A2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The Group is in the process of assessing the impact of implementing these Standards, since the effects would only be observable for the future financial years.

A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

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

A4. SEASONAL OR CYCLICAL FACTORS OF INTERIM OPERATION

The Group's operations were not materially affected by any seasonal and cyclical factors.

A5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because their nature, size or incidence.

A6. MATERIAL CHANGES IN ESTIMATES

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

A7. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

There were 373,710,716 Rights Issue and 186,855,358 Warrants B as well as 9,038,620 additional Warrants A listed on 15 September 2017.

There were 100,000,000 of shares issued under Employees' Share Option Scheme with issue price per share of RM0.0736 listed on 25 January 2018.

A8. DIVIDEND DECLARED

No dividend was declared or paid during the current quarter ended 31 March 2018.

A9. SEGMENT INFORMATION

Segmental information is presented in respect of the Group's business and geographical segments. The primary format of business segments, are based on the Group's management and internal reporting structure.

Business segments

The Group is principally engaged in the business of research and development in multimedia video conferencing systems and related products as well as assembling and trading of multimedia video conferencing systems and electrical equipment. Business segment information has therefore not been prepared as the Group's revenue, operating profit, assets employed, capital expenditure, depreciation and amortisation and non-cash expenses are mainly confined to one business segment.

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**EXPLANATORY NOTES TO QUARTERLY FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2018**

Period to date 31 March 2018	Video conferencing system	Investment holding	Trading	Others	Total	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	1,148	-	956	-	2,104	-	2,104
Result							
Segment result	(4,375)	(3,584)	(1,256)	(12)	(9,227)	2,234	(6,993)
Share of loss joint venture	(21)	-	-	-	-	-	(21)
Other income	37	840	2	1	-	-	880
Profit before tax							(4,030)
Minority interest							146
Income tax							-
Net loss after tax							(3,884)
Assets							
Segment assets	3,602	63,981	1,980	-	69,563	(3,363)	66,200
Liabilities							
Segment liabilities	3,444	51	2,590	52	6,137	(5,915)	222
Period to date 31 March 2017							
	Video conferencing system	Investment holding	Trading	Others	Total	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	1,500	-	1,012	-	2,512	-	2,512
Result							
Segment result	(1,526)	(14,818)	(1,347)	(13)	(17,704)	(14,452)	(3,252)
Finance cost	(2)	-	-	-	-	-	(2)

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EXPLANATORY NOTES TO QUARTERLY FINANCIAL STATEMENTS
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Period to date 31 March 2017	Video conferencing system	Investment holding	Trading	Others	Total	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Other income	14,403	13,983	-	-	-	(28,013)	373
Profit before tax							(369)
Minority interest							164
Income tax							-
Net loss after tax							(205)
Assets							
Segment assets	3,561	1,745	1,472	-	6,778	(1,528)	5,250
Liabilities							
Segment liabilities	213	284	1,784	40	2,321	(1,867)	454

Geographical segments

The business segment is managed in few principal locations namely Malaysia, Thailand, China. In presenting information on the basis of geographical segments, segmental information on assets is not presented, as all assets are located in Malaysia. Segmental revenue is presented based on the geographical location of customers.

The geographical segmental information on the Group is as follows:-

	Individual Quarter		Cumulative Quarter	
	Current year quarter ended 31 March 2018	Preceding year corresponding quarter ended 31 March 2017	Current year to date ended 31 March 2018	Preceding year corresponding period ended 31 March 2017
	RM '000	RM'000	RM'000	RM'000
Revenue				
Malaysia	205	1,305	2,104	2,512
Outside Malaysia	-	-	-	-
Total	205	1,305	2,104	2,512

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**EXPLANATORY NOTES TO QUARTERLY FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2018**

A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

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

A11. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE QUARTER

- i) On 18th August 2017, The Board of Directors of MLABS announced that Multimedia Research Lab Sdn Bhd, the wholly owned subsidiary of the Company had on 17th August entered into a Memorandum of Understanding on Technology Collaboration with XOX Media Sdn Bhd. There was no major development on the said MOU.
- ii) On 12th February 2018, Mlabs Systems Berhad had made an offer of options to eligible persons to subscribe for new shares in the Company under the Company's Employees' Share Option Scheme. The number of options offered was 108,000,000 at an exercise price of RM0.063 per option.

A12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in composition of the Group during the financial quarter ended 31 March 2018 except for a 100% own subsidiary Edition Assets Sdn. Bhd. which was incorporated in 16 January 2018, W28 Limited which was incorporated in 30 November 2017 and Gold Dragon Media Sdn. Bhd which was incorporated in 3 October 2017.

A13. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no contingent liabilities or assets for the Group as at 31 March 2018.

As at 24 May 2018, (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly financial statements), no material contingent assets or liabilities have arisen since the end of the financial period.

A14. CAPITAL COMMITMENTS

There was no capital commitment during the current quarter.

A15. SIGNIFICANT RELATED PARTY TRANSACTIONS

The Directors of MLABS are of the opinion that there is no related party transactions to-date which would have material impact on the financial position and the business of the Group during the current financial quarter and period ended 31 March 2018.

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**EXPLANATORY NOTES TO QUARTERLY FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2018****PART B: REQUIREMENTS PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE
ACEMARKET****B1. REVIEW OF THE PERFORMANCE OF THE GROUP****CURRENT QUARTER COMPARED TO THE CORRESPONDING QUARTER OF
LAST YEAR (Q4 18 VS Q4 17)**

	Individual Quarter Unaudited		Changes		Cumulative Quarter Unaudited		Changes	
	Current Quarter 31.03.2018	Preceding Quarter 31.03.2017			Current year to date 31.03.2018	Preceding year to date 31.03.2017		
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	205	1,305	(1,100)	84.29	2,104	2,512	(408)	16.24
Operating loss	(2,151)	(187)	(1,964)	>100	(4,030)	(367)	(3,661)	>100
Loss before interest & tax	(2,151)	(187)	(1,964)	>100	(4,030)	(369)	(3,661)	>100
Loss before tax	(2,151)	(187)	(1,964)	>100	(4,030)	(369)	(3,661)	>100
Loss after tax	(2,151)	(187)	(1,964)	>100	(4,030)	(369)	(3,661)	>100
Loss attributable to ordinary equity holders of the parent	(1,999)	(191)	(1,808)	>100	(3,884)	(205)	(3,679)	>100

During the cumulative quarter under review, the Group recorded a loss after taxation ("LAT") of RM4.030 million on the back of revenue of approximately RM2.104 million. Revenue for the cumulative quarter ended 31 March 2018 represents an decrease of 16.24% compared to RM2.512 million in the preceding year corresponding year. The decrease in revenue was due to decreased sale of mobile application and electrical products. The Group's LAT for current quarter of RM2.151 million represents an increase of approximately RM1.964 million as compared to the LAT of RM0.187 million incurred in the preceding quarter. Increase in LAT is mainly due to increase of operating expenses of professional fees and impairment during the cumulative quarter.

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**EXPLANATORY NOTES TO QUARTERLY FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2018****B2. VARIATION OF CURRENT QUARTER RESULTS AGAINST PRECEDING QUARTER (Q4 18 VS Q3 17)**

	Current Quarter	Immediate Preceding Quarter	Changes	
	31.03.2018	31.12.2017	RM'000	%
Revenue	205	585	(380)	64.96
Operating loss	(2,151)	(282)	1,869	>100
Loss before interest & tax	(2,151)	(282)	1,869	>100
Loss before tax	(2,151)	(282)	1,869	>100
Loss after tax	(2,151)	(282)	1,869	>100
Loss attributable to owners of the parent	(1,999)	(269)	1,730	>100

The Group's revenue for the current quarter of RM0.205 million represents a decrease of approximately RM0.380 million as compared to the revenue of RM0.585 million achieved for the preceding quarter. The decrease in revenue is due principally to reclassification of certain goods returned in earlier quarters that were charged under cost of sales which are now reclassified against the current quarter sales.

The Group's LBT for current quarter of RM2.151 million represents an increase of approximately RM1.869 million as compared to the LBT of approximately RM0.282 million incurred in the preceding quarter. Increase in LBT is mainly due to increase of operating expenses, professional fees and impairment during the current quarter.

B3. COMMENTARY ON BUSINESS PROSPECTS

The Group existing business remains highly competitive in a market where it is necessary to continually invest in new technologies to remain relevant and competitive. The recently completed rights issue exercise of the Company has provided additional financial capital to enable the Group to explore new business opportunities that are complimentary to its existing business to create new sources of revenue for the Group. These initiatives include a number of business collaborations which have been announced recently which the Group is optimistic will contribute positively to its future performance. The group is also currently developing its next generation mobile application which will be launched locally and regionally when it is ready. The launch of this product will help to contribute revenue for the company.

B4. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

Not applicable as no forecast was published.

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EXPLANATORY NOTES TO QUARTERLY FINANCIAL STATEMENTS
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B5. NOTES TO CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	31.03.2018	31.03.2017
	RM	RM
Loss for the period is arrived at after charging		
Amortisation and depreciation	854,853	385,820

B6. TAXATION

For the financial period ending 31 March 2018, there is no tax liability.

B7. PURCHASE OR DISPOSAL OF QUOTED SECURITIES

The Group did not purchase or dispose any quoted securities during the financial period under review.

B8. STATUS OF CORPORATE PROPOSALS

There was no corporate proposal under review.

B9. STATUS OF UTILISATION OF PROCEEDS

On 11th August 2017, the company had completed the Renounceable Rights Issues by issuance of 528,169,300 new ordinary shares in Mlabs at an issue price of RM0.15 per rights share, together with up to 264,084,650 free detachable warrants in Mlabs on the basis of two (2) rights shares together with one (1) free warrant B for every one (1) existing Mlabs share held by the entitled shareholders of Mlabs.

Proposed Utilisation	Based case scenario	Actual utilisation as at 31/12/17	Balance of proceeds unutilised	Timeframe for utilisation
	RM'000	RM'000	RM'000	
Development and marketing for mobile application	10,000	28	9,972	Within 18 months
Working capital	5,000	1,588	3,412	Within 24 months
Acquisition and/or investment in other complementary businesses and/or assets	40,326	-	40,326	Within 24 months
* Estimated expenses in relation to the Proposals	730	730	-	Immediate
Total	56,056	2,058	53,998	

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**EXPLANATORY NOTES TO QUARTERLY FINANCIAL STATEMENTS
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B10. GROUP BORROWINGS AND DEBTS SECURITIES

As at the end of the current quarter under review, the Group does not have short term interest bearing borrowings.

B11. TRADE RECEIVABLES

The Group's normal trade credit terms range from 30 days to 180 days (2017: 30 to 180 days). Other credit terms are assessed and approved on case by case basis. They are recognised at the original invoice amounts, which represent their fair values on initial recognition. There are no trade receivables from related parties.

	As per quarter ended 31.3.2018 RM'000
Neither past due nor impaired	704
Past due but not impaired	
- More than 60 days	765
	<hr/> 1,469 <hr/>

B12. DERIVATIVE FINANCIAL INSTRUMENTS

There were no off balance sheet financial instrument as at 24 May 2017 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly financial statements).

B13. MATERIAL LITIGATION

The Group does not engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary companies and the Board is not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary companies.

B14. DIVIDENDS

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

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EXPLANATORY NOTES TO QUARTERLY FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2018

B15. REALISED AND UNREALISED LOSSES

	As at 31.03.2018 RM	As at 31.03.2017 RM
Total accumulated losses		
- Realised	(18,929)	(12,688)
Less: Consolidation adjustment	10,651	8,293
Total accumulated losses as per Statement of Financial Position	(8,278)	(4,395)

B16. NOTES TO CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year To date 31.03.18 RM'000	Corresponding quarter 31.03.18 RM'000	Year To date 31.03.17 RM'000	Corresponding quarter 31.03.17 RM'000
Interest income	869	405	186	-
Interest expense	-	-	(2)	-
Depreciation and amortisation	(855)	(511)	(386)	(42)

B17. EARNINGS PER SHARE

The basic earnings per share is computed by dividing the Group's net loss attributable to members of the Group with the weighted average number of ordinary shares in issue as follows:

	12 months period ended	
	31.3.2018	31.3.2017
Net loss attributable to the members of the Group (RM'000)	(3,884)	(205)
Weighted average number of shares in issue ('000)	412,203	186,867
Loss per share (sen)	(0.94)	(0.11)