

EDUSPEC HOLDINGS BERHAD

Company No. 646756-X
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR 1ST QUARTER ENDED 31 DECEMBER 2014

	INDIVIDUAL QUARTER		YEAR TO DATE	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR	PRECEDING YEAR
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	RM('000)	RM('000)	RM('000)	RM('000)
REVENUE	8,938	4,849	8,938	4,849
COST OF SALES	(4,510)	(2,614)	(4,510)	(2,614)
GROSS PROFIT	4,428	2,235	4,428	2,235
OTHER INCOME	942	279	942	279
	5,370	2,514	5,370	2,514
ADMINISTRATIVE EXPENSES	(6,727)	(4,950)	(6,727)	(4,950)
SELLING AND DISTRIBUTION EXPENSES	(650)	(507)	(650)	(507)
OTHER EXPENSES	(1,444)	(834)	(1,444)	(834)
FINANCE COSTS	(155)	(66)	(155)	(66)
SHARE OF RESULTS				
- ASSOCIATES	22	47	22	47
- JOINT VENTURE	(57)	-	(57)	-
PROFIT/ (LOSS) BEFORE TAXATION	(3,641)	(3,796)	(3,641)	(3,796)
INCOME TAX EXPENSES	-	(3)	-	(3)
PROFIT/ (LOSS) AFTER TAXATION	(3,641)	(3,799)	(3,641)	(3,799)
OTHER COMPREHENSIVE INCOME, NET OF TAX				
- FOREIGN CURRENCY TRANSLATION	(53)	(7)	(53)	(7)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	<u>(3,694)</u>	<u>(3,806)</u>	<u>(3,694)</u>	<u>(3,806)</u>
PROFIT/ (LOSS) AFTER TAXATION ATTRIBUTED TO:				
Owners of the company	(3,384)	(3,787)	(3,384)	(3,787)
Minority Interest	(257)	(12)	(257)	(12)
	<u>(3,641)</u>	<u>(3,799)</u>	<u>(3,641)</u>	<u>(3,799)</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTED TO:				
Owners of the company	(3,437)	(3,794)	(3,437)	(3,794)
Minority Interest	(257)	(12)	(257)	(12)
	<u>(3,694)</u>	<u>(3,806)</u>	<u>(3,694)</u>	<u>(3,806)</u>
EARNINGS PER SHARE (SEN)				
(a) Basic				
* based on weighted average number of ordinary shares of 765,538,283 shares.	(0.44) *		(0.44) *	
** based on weighted average number of ordinary shares of 491,510,869 shares.		(0.77) **		(0.77) **
(b) Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements of Eduspec Holdings Berhad for the financial year ended 30 September 2014)

EDUSPEC HOLDINGS BERHAD

Company No. 646756-X
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	(Unaudited) 31-Dec-14 RM('000)	Audited 30-Sep-14 RM('000)
ASSETS		
NON-CURRENT ASSETS		
Equipment	9,397	5,726
Goodwill on consolidation	6,362	6,362
Investment in associates	508	445
Investment in a joint venture	67	125
Intangible assets	2,369	6,665
	18,703	19,323
CURRENT ASSETS		
Inventories	3,074	1,050
Trade receivables	32,205	30,381
Other receivables, deposits and prepayments	12,004	9,016
Amount owing by associates	-	139
Amount owing by a joint venture	1,368	1,282
Tax recoverable	682	412
Fixed deposits with licensed banks	9,387	9,309
Cash and bank balances	6,835	10,056
	65,555	61,645
TOTAL ASSETS	84,258	80,968
EQUITY AND LIABILITIES		
EQUITY		
Share capital	76,620	76,550
Reserves	(16,308)	(13,130)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	60,312	63,420
NON-CONTROLLING INTERESTS	(1,458)	(1,201)
TOTAL EQUITY	58,854	62,219
NON-CURRENT LIABILITIES		
Long-term borrowings	335	359
Deferred Taxation	641	641
	976	1,000
CURRENT LIABILITIES		
Trade payables	8,137	10,554
Other payables and accruals	6,885	3,320
Amount owing to a joint venture	505	488
Short-term borrowings	6,220	1,661
Bank overdrafts	2,681	1,706
Provision for taxation	-	20
	24,428	17,749
TOTAL LIABILITIES	25,404	18,749
TOTAL EQUITY AND LIABILITIES	84,258	80,968
Net assets per share attributable to ordinary equity holders of the parent (sen)	7.9 *	8.3

* based on weighted average number of ordinary shares of 765,538,283 shares.

** based on weighted average number of ordinary shares of 761,581,621 shares.

Note: Following the reverse acquisition, the current year balance sheet is prepared using Reverse Acquisition Accounting principles.

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements of Eduspec Holdings Berhad for the financial year ended 30 September 2014)

EDUSPEC HOLDINGS BERHAD

Company No. 646756-X
(Incorporated in Malaysia)

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR 1ST QUARTER ENDED 31 DECEMBER 2014

(The figures have not been audited)

	Share Capital	Share Premium	Reverse Acquisition Reserve	Capital Redemption Reserve	Warrant Reserve	Share Reserve	Foreign Exchange Translation Reserve	Retained Profits/ (Accumulated Loss)	Total	Minority Interest	Total
	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)	RM('000)
1st Quarter ended 31 December 2014											
Balance at 1 October 2014	76,550	6,002	(18,570)	547	10,110	-	(453)	(10,766)	63,420	(1,201)	62,219
ESOS											
Issuance of ordinary shares	70	92	-	-	-	167	-	-	329	-	329
Total comprehensive income for the quarter	-	-	-	-	-	-	(53)	(3,384)	(3,437)	(257)	(3,694)
Balance at 31 December 2014	<u>76,620</u>	<u>6,094</u>	<u>(18,570)</u>	<u>547</u>	<u>10,110</u>	<u>167</u>	<u>(506)</u>	<u>(14,150)</u>	<u>60,312</u>	<u>(1,458)</u>	<u>58,854</u>
Year ended 30 September 2014 (Audited)											
Balance at 1 October 2013	38,333	2,882	(18,570)	547	-	-	(438)	(7,016)	15,738	174	15,912
Profit after taxation for the financial year	-	-	-	-	-	-	-	6,360	6,360	1,173	7,533
Other comprehensive income for the financial year											
- Foreign currency transaction differences							15	-	15	-	15
- Share of an associate's foreign currency translation differences							(30)	-	(30)	-	(30)
Total comprehensive income for the financial year	-	-	-	-	-	-	(15)	6,360	6,345	1,173	7,518
Transaction with non-controlling interests:-											
- Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	(2,558)	(2,558)
- Incorporation of a subsidiary	-	-	-	-	-	-	-	-	-	10	10
Total transactions with non-controlling interests:-	-	-	-	-	-	-	-	-	-	(2,548)	(2,548)
Contributions by and distributions to owners of the company:											
- Issuance of new shares											
- Private placement	10,000	1,500	-	-	-	-	-	-	11,500	-	11,500
- Acquisition of subsidiary	2,700	1,620	-	-	-	-	-	-	4,320	-	4,320
- Rights issue of shares with warrants	25,517	-	-	-	10,110	-	-	(10,110)	25,517	-	25,517
Total transactions with owners	38,217	3,120	-	-	10,110	-	-	(10,110)	41,337	-	41,337
Balance at 30 September 2014	<u>76,550</u>	<u>6,002</u>	<u>(18,570)</u>	<u>547</u>	<u>10,110</u>	<u>-</u>	<u>(453)</u>	<u>(10,766)</u>	<u>63,420</u>	<u>(1,201)</u>	<u>62,219</u>

EDUSPEC HOLDINGS BERHAD

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER 1 OCTOBER 2014 TO 31 DECEMBER 2014**

(The figures have not been audited)

	(Unaudited) CURRENT YEAR QUARTER 31-Dec-14 RM('000)	(Unaudited) PRECEDING YEAR CORRESPONDING QUARTER 31-Dec-13 RM('000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (Loss) Before Taxation	(3,641)	(3,796)
Adjustments for:		
Amortisation of development costs	679	421
Depreciation of Plant and equipment	463	366
Share of results: -		
- Associates	22	(47)
- Joint venture	(57)	-
Operating profit before working capital changes	(2,534)	(3,056)
(Increase)/ decrease in inventories	(2,123)	(673)
(Increase)/ decrease in trade and other receivables	(5,000)	(2,730)
Increase/ (decrease) in trade and other payables	1,408	2,799
CASH FROM/ (USED IN) OPERATIONS	(8,249)	(3,660)
Income tax paid	177	(206)
NET CASH FROM/ (USED IN) OPERATING ACTIVITIES	(8,072)	(3,866)
CASH FLOWS FROM INVESTING ACTIVITIES		
Development costs incurred, net	(540)	-
Purchase of plant and equipment	(105)	(652)
Acquisition of subsidiary	-	(900)
Repayment/ (Advances) to associates	208	(110)
NET CASH FROM/ (FOR) INVESTING ACTIVITIES	(437)	(1,662)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	-	37,016
Proceeds from issuance of shares (ESOS)	162	-
Draw down/ (Repayment) of borrowings	3,876	2,288
NET CASH FROM/ (FOR) FINANCING ACTIVITIES	4,038	39,304
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,471)	33,776
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL QUARTER	17,959	4
EFFECTS OF FOREIGN CURRENCY EXCHANGE	53	(7)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL QUARTER	13,541	33,773
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL QUARTER: -		
	RM('000)	RM('000)
Fixed deposits with a licenced bank	9,387	2,899
Cash and bank balances	6,835	32,603
Bank Overdraft	(2,681)	(1,729)
	13,541	33,773