

EDUSPEC HOLDINGS BERHAD

Company No. 646756-X
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR 1ST QUARTER ENDED 31 DECEMBER 2016

	INDIVIDUAL QUARTER		YEAR TO DATE	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR	PRECEDING YEAR
	31/12/2016 RM('000)	31/12/2015 RM('000)	31/12/2016 RM('000)	31/12/2015 RM('000)
REVENUE	9,933	9,871	9,933	9,871
COST OF SALES	(5,015)	(5,568)	(5,015)	(5,568)
GROSS PROFIT	4,918	4,303	4,918	4,303
OTHER INCOME	3,365	655	3,365	655
	8,283	4,958	8,283	4,958
ADMINISTRATIVE EXPENSES	(9,333)	(7,091)	(9,333)	(7,091)
SELLING AND DISTRIBUTION EXPENSES	(1,050)	(707)	(1,050)	(707)
OTHER EXPENSES	(1,475)	(1,115)	(1,475)	(1,115)
FINANCE COSTS	(441)	(196)	(441)	(196)
SHARE OF RESULTS				
- ASSOCIATES	(58)	(3)	(58)	(3)
- JOINT VENTURE	(29)	(54)	(29)	(54)
PROFIT/ (LOSS) BEFORE TAXATION	(4,103)	(4,208)	(4,103)	(4,208)
INCOME TAX EXPENSES	(8)	(153)	(8)	(153)
PROFIT/ (LOSS) AFTER TAXATION	(4,111)	(4,361)	(4,111)	(4,361)
OTHER COMPREHENSIVE INCOME, NET OF TAX				
- FOREIGN CURRENCY TRANSLATION	419	395	419	395
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	(3,692)	(3,966)	(3,692)	(3,966)
PROFIT/ (LOSS) AFTER TAXATION ATTRIBUTED TO:				
Owners of the company	(4,714)	(4,160)	(4,714)	(4,160)
Minority Interest	603	(201)	603	(201)
	(4,111)	(4,361)	(4,111)	(4,361)
TOTAL COMPREHENSIVE INCOME ATTRIBUTED TO:				
Owners of the company	(4,295)	(3,765)	(4,295)	(3,765)
Minority Interest	603	(201)	603	(201)
	(3,692)	(3,966)	(3,692)	(3,966)
EARNINGS PER SHARE (SEN)				
(a) Basic				
* based on weighted average number of ordinary shares of 912,603,676 shares.	(0.52) *		(0.52) *	
** based on weighted average number of ordinary shares of 845,866,990 shares.		(0.49) **		(0.49) **
(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 2016)

EDUSPEC HOLDINGS BERHAD

Company No. 646756-X
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	(Unaudited) 31-Dec-16 RM('000)	Audited 30-Sep-16 RM('000)
ASSETS		
NON-CURRENT ASSETS		
Investment in associates	232	416
Investment in a joint venture	246	275
Other Investment	358	358
Property & Equipment	30,422	25,556
Intangible assets	2,959	8,904
Goodwill on consolidation	6,069	6,069
Deferred tax assets	-	142
	40,286	41,720
CURRENT ASSETS		
Inventories	2,985	1,531
Trade receivables	62,584	81,766
Other receivables, deposits and prepayments	55,730	53,067
Amount owing by associates	4,742	4,676
Amount owing by a joint venture	997	927
Tax recoverable	344	557
Fixed deposits with licensed banks	5,355	5,321
Cash and bank balances	3,937	3,559
	136,674	151,404
TOTAL ASSETS	176,960	193,124
EQUITY AND LIABILITIES		
EQUITY		
Share capital	91,589	90,851
Reserves	27,965	31,445
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	119,554	122,296
NON-CONTROLLING INTERESTS	1,045	442
TOTAL EQUITY	120,599	122,738
NON-CURRENT LIABILITIES		
Long-term borrowings	23,803	23,214
Deferred Taxation	334	483
	24,137	23,697
CURRENT LIABILITIES		
Trade payables	7,460	7,662
Other payables and accruals	15,263	32,113
Amount owing to associates	388	23
Amount owing to a joint venture	305	177
Short-term borrowings	5,584	3,227
Bank overdrafts	3,224	3,078
Provision for taxation	-	409
	32,224	46,689
TOTAL LIABILITIES	56,361	70,386
TOTAL EQUITY AND LIABILITIES	176,960	193,124

Net assets per share attributable to ordinary equity holders of the parent (sen)

13.1 *

14.1 **

* based on weighted average number of ordinary shares of 912,603,676 shares.

** based on weighted average number of ordinary shares of 866,999,051 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 2016)

EDUSPEC HOLDINGS BERHAD

Company No. 646756-X
(Incorporated in Malaysia)

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR 1ST QUARTER ENDED 31 DECEMBER 2016

(The figures have not been audited)

	Share Capital	Share Premium	Share Application Monies	Reverse Acquisition Reserve	Capital Redemption Reserve	Warrant Reserve	Employees' Share Option 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)	RM('000)
1st Quarter ended 31 December 2016												
Balance at 1 October 2016	90,851	32,713	-	(18,570)	547	10,110	2,784	35	3,826	122,296	442	122,738
Issuance of new shares												
- Private placement	738	812	-	-	-	-	-	-	-	1,550	-	1,550
- Expenses on issuance of private placement	-	-	-	-	-	-	-	-	-	-	-	-
- Employees' share option scheme:												
- granted	-	-	-	-	-	-	-	-	-	-	-	-
- exercised	-	-	-	-	-	-	3	-	-	3	-	3
- forfeited	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the quarter	-	-	-	-	-	-	-	419	(4,714)	(4,295)	603	(3,692)
Balance at 31 December 2016	91,589	33,525	-	(18,570)	547	10,110	2,787	454	(888)	119,554	1,045	120,599
Year ended 30 September 2016 (Audited)												
Balance at 1 October 2015	84,587	22,165	-	(18,570)	547	10,110	840	396	(811)	99,264	34	99,298
Profit after taxation for the financial year	-	-	-	-	-	-	-	-	4,622	4,622	399	5,021
Other comprehensive income for the financial year												
- Actuarial loss of defined benefit plan	-	-	-	-	-	-	-	-	15	15	-	15
- Foreign currency transaction differences	-	-	-	-	-	-	-	(361)	-	(361)	9	(352)
Total comprehensive income for the financial year	-	-	-	-	-	-	-	(361)	4,637	4,276	408	4,684
Contributions by and distributions to owners of the company:												
- Issuance of new shares												
- Private placement	6,050	10,285	-	-	-	-	-	-	-	16,335	-	16,335
- Expenses on issuance of private placement	-	(278)	-	-	-	-	-	-	-	(278)	-	(278)
- Employees' share option scheme:												
- granted	-	-	-	-	-	-	2,532	-	-	2,532	-	2,532
- exercised	214	541	-	-	-	-	(253)	-	-	502	-	502
- forfeited	-	-	-	-	-	-	(335)	-	-	(335)	-	(335)
Total transactions with owners	6,264	10,548	-	-	-	-	1,944	-	-	18,756	-	18,756
Balance at 30 September 2016	90,851	32,713	-	(18,570)	547	10,110	2,784	35	3,826	122,296	442	122,738

EDUSPEC HOLDINGS BERHAD

Company No. 646756-X
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER 1 OCTOBER 2016 TO 31 DECEMBER 2016**

(The figures have not been audited)

	(Unaudited) CURRENT YEAR QUARTER 31-Dec-16 RM('000)	(Unaudited) PRECEDING YEAR QUARTER 31-Dec-15 RM('000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss Before Taxation	(4,103)	(4,208)
Adjustments for:		
Amortisation of intangible assets	277	619
Depreciation of Plant and equipment	1,198	674
Allowance for impairment losses on:		
- goodwill	-	293
- amount owing by an associate	1,085	-
Share of results:		
- Associates	58	3
- Joint venture	29	54
Operating profit before working capital changes	(1,456)	(2,565)
Increase in inventories	(1,458)	(1,615)
Increase in trade and other receivables	(213)	(2,626)
Increase in trade and other payables	283	1,997
CASH FROM/ (USED IN) OPERATIONS	(2,844)	(4,809)
Income tax refund/ (paid)	(941)	(374)
NET CASH FROM/ (USED IN) OPERATING ACTIVITIES	(3,785)	(5,183)
CASH FLOWS FROM INVESTING ACTIVITIES		
Development costs incurred, net	(30)	(911)
Purchase of plant and equipment	(175)	(625)
Advances to associates	(17)	(1,185)
Repayment from/ (Advances to) joint venture	57	(68)
NET CASH FROM/ (FOR) INVESTING ACTIVITIES	(165)	(2,789)
CASH FLOWS FROM FINANCING ACTIVITIES		
Draw down/ (Repayment) of borrowings	2,247	(1,727)
Proceeds from issuance of shares	1,550	-
NET CASH FROM/ (FOR) FINANCING ACTIVITIES	3,797	(1,727)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(153)	(9,699)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL QUARTER	5,802	15,509
EFFECTS OF FOREIGN CURRENCY EXCHANGE	419	395
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL QUARTER	6,068	6,205
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL QUARTER: -		
	RM('000)	RM('000)
Fixed deposits with a licenced bank	5,355	5,289
Cash and bank balances	3,937	4,507
Bank Overdraft	(3,224)	(3,591)
	6,068	6,205