

EDUSPEC HOLDINGS BERHAD

Company No. 646756-X  
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR 2ND QUARTER ENDED 31 MARCH 2017

	INDIVIDUAL QUARTER		YEAR TO DATE	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR	PRECEDING YEAR
	31/3/2017 RM('000)	31/3/2016 RM('000)	31/3/2017 RM('000)	31/3/2016 RM('000)
REVENUE	15,965	14,120	25,898	23,991
COST OF SALES	(9,444)	(5,953)	(14,459)	(11,521)
GROSS PROFIT	6,521	8,167	11,439	12,470
OTHER INCOME	2,334	860	5,699	1,515
	8,855	9,027	17,138	13,985
ADMINISTRATIVE EXPENSES	(7,211)	(6,987)	(16,544)	(14,078)
SELLING AND DISTRIBUTION EXPENSES	(838)	(945)	(1,888)	(1,652)
OTHER EXPENSES	(2,413)	(2,752)	(3,888)	(3,867)
FINANCE COSTS	(454)	(297)	(895)	(493)
SHARE OF RESULTS				
- ASSOCIATES	(1)	(30)	(59)	(33)
- JOINT VENTURE	19	(25)	(10)	(79)
PROFIT/ (LOSS) BEFORE TAXATION	(2,043)	(2,009)	(6,146)	(6,217)
INCOME TAX EXPENSES	(25)	(8)	(33)	(161)
PROFIT/ (LOSS) AFTER TAXATION	(2,068)	(2,017)	(6,179)	(6,378)
OTHER COMPREHENSIVE INCOME, NET OF TAX				
- FOREIGN CURRENCY TRANSLATION	438	12	857	(383)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	(1,630)	(2,005)	(5,322)	(6,761)
PROFIT/ (LOSS) AFTER TAXATION ATTRIBUTED TO:				
Owners of the company	(1,177)	(1,465)	(5,891)	(6,027)
Minority Interest	(891)	(552)	(288)	(351)
	(2,068)	(2,017)	(6,179)	(6,378)
TOTAL COMPREHENSIVE INCOME ATTRIBUTED TO:				
Owners of the company	(739)	(1,453)	(5,034)	(6,410)
Minority Interest	(891)	(552)	(288)	(351)
	(1,630)	(2,005)	(5,322)	(6,761)
EARNINGS PER SHARE (SEN)				
(a) Basic				
* based on weighted average number of ordinary shares of 915,246,546 shares.	(0.13) *		(0.64) *	
** based on weighted average number of ordinary shares of 846,263,567 shares.		(0.17) **		(0.71) **
(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 MARCH 2017**

	(Unaudited) 31-Mar-17 RM('000)	Audited 30-Sep-16 RM('000)
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Investment in associates	163	416
Investment in a joint venture	265	275
Other Investment	358	358
Property & Equipment	29,631	25,556
Intangible assets	6,135	8,904
Goodwill on consolidation	6,069	6,069
Deferred tax assets	-	142
	<u>42,621</u>	<u>41,720</u>
<b>CURRENT ASSETS</b>		
Inventories	2,987	1,531
Trade receivables	75,080	81,766
Other receivables, deposits and prepayments	66,306	53,067
Amount owing by associates	4,973	4,676
Amount owing by a joint venture	1,009	927
Tax recoverable	1,190	557
Fixed deposits with licensed banks	5,377	5,321
Cash and bank balances	2,758	3,559
	<u>159,680</u>	<u>151,404</u>
<b>TOTAL ASSETS</b>	<u><u>202,301</u></u>	<u><u>193,124</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	92,089	90,851
Reserves	27,723	31,445
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<u>119,812</u>	<u>122,296</u>
<b>NON-CONTROLLING INTERESTS</b>	201	442
<b>TOTAL EQUITY</b>	<u>120,013</u>	<u>122,738</u>
<b>NON-CURRENT LIABILITIES</b>		
Long-term borrowings	23,388	23,214
Deferred Taxation	335	483
	<u>23,723</u>	<u>23,697</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	8,422	7,662
Other payables and accruals	39,492	32,113
Amount owing to associates	507	23
Amount owing to a joint venture	372	177
Short-term borrowings	6,582	3,227
Bank overdrafts	3,190	3,078
Provision for taxation	-	409
	<u>58,565</u>	<u>46,689</u>
<b>TOTAL LIABILITIES</b>	<u>82,288</u>	<u>70,386</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>202,301</u></u>	<u><u>193,124</u></u>

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 915,246,546 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  
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CONDENSED STATEMENT OF CHANGES IN EQUITY FOR 2ND QUARTER ENDED 31 MARCH 2017

(The figures have not been audited)

	Share Capital	Share Premium	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)
<b><u>2nd Quarter ended 31 March 2017</u></b>											
Balance at 1 January 2017	91,589	33,525	(18,570)	547	10,110	2,787	454	(888)	119,554	1,045	120,599
Issuance of new shares											
- Private placement	500	500	-	-	-	-	-	-	1,000	-	1,000
- Expenses on issuance of private placement	-	-	-	-	-	-	-	-	-	-	-
- Employees' share option scheme:											
- granted	-	-	-	-	-	-	-	-	-	-	-
- exercised	-	-	-	-	-	-	-	-	-	-	-
- forfeited	-	-	-	-	-	(3)	-	-	(3)	-	(3)
Total comprehensive income for the quarter	-	-	-	-	-	-	438	(1,177)	(739)	(891)	(1,630)
Transaction with non-controlling interests:											
- Incorporation of a subsidiary	-	-	-	-	-	-	-	-	-	47	47
Balance at 31 March 2017	92,089	34,025	(18,570)	547	10,110	2,784	892	(2,065)	119,812	201	120,013
<b><u>1st Quarter ended 31 December 2016</u></b>											
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
- Employees' share option scheme:											
- exercised	-	-	-	-	-	3	-	-	3	-	3
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

**EDUSPEC HOLDINGS BERHAD**

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER 1 JANUARY 2017 TO 31 MARCH 2017**

(The figures have not been audited)

	(Unaudited) CURRENT YEAR QUARTER 31-Mar-17 RM('000)	(Unaudited) PRECEDING YEAR QUARTER 31-Mar-16 RM('000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss Before Taxation	(2,043)	(2,009)
Adjustments for:		
Amortisation of development costs	741	812
Depreciation of Plant and equipment	772	564
Gain/ loss on disposal of plant and equipment	(11)	-
Share of results: -		
- Associates	1	30
- Joint venture	(19)	25
Operating profit before working capital changes	(559)	(578)
Increase in inventories	(2)	(184)
(Increase)/Decrease in trade and other receivables	(23,072)	5,737
Increase/(Decrease) in trade and other payables	25,191	(2,587)
CASH (USED IN)/ FROM OPERATIONS	1,558	2,388
Income tax (paid)/refund	(304)	301
NET CASH (USED IN) /FROM OPERATING ACTIVITIES	1,254	2,689
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Development costs incurred,net	(3,917)	(3,149)
Purchase of plant and equipment	(9)	(61)
Advances to associates	(112)	(260)
Proceeds from disposal of plant and equipment	39	-
Repayment from/ (Advances to) joint venture	55	26
NET CASH FROM/ (FOR) INVESTING ACTIVITIES	(3,944)	(3,444)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Draw down/ (Repayment) of borrowings	129	(693)
Proceeds from issuance of shares	1,000	198
NET CASH FROM/ (FOR) FINANCING ACTIVITIES	1,129	(495)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,561)	(1,250)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL QUARTER	6,068	6,205
EFFECTS OF FOREIGN CURRENCY EXCHANGE	438	12
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL QUARTER	4,945	4,967
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL QUARTER: -</b>		
	RM('000)	RM('000)
Fixed deposits with a licenced bank	5,377	5,312
Cash and bank balances	2,758	3,074
Bank Overdraft	(3,190)	(3,419)
	4,945	4,967