

R&A TELECOMMUNICATION GROUP BERHAD (645677-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIXTH QUARTER ENDED 30 JUNE 2017

	Note	----- Individual Quarter -----		----- Cumulative Quarter -----	
		Current year quarter 30 June 2017	Preceding year corresponding quarter 30 June 2016	Current year to date 30 June 2017	Preceding year corresponding period 30 June 2016
		RM'000	RM'000	RM'000	RM'000
Revenue	(iii)	(78)	6	-	8,078
Cost of sales		-	-	-	(7,620)
Operating expenses		<u>(732)</u>	<u>(507)</u>	<u>(3,068)</u>	<u>(89,701)</u>
Loss before depreciation and finance cost		(810)	(501)	(3,068)	(89,243)
Depreciation	(iv)	15	(131)	(372)	(1,718)
Finance cost		(48)	(203)	(490)	(2,760)
Other income	(v)	<u>1,917</u>	<u>252</u>	<u>4,695</u>	<u>2,544</u>
Profit/(loss) before tax		1,074	(583)	765	(91,177)
Tax expense		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit/(loss) after tax		1,074	(583)	765	(91,177)
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss)		<u>1,074</u>	<u>(583)</u>	<u>765</u>	<u>(91,177)</u>
Profit/(Loss) after taxation attributable to :					
Equity holders of the Company		<u>1,074</u>	<u>(583)</u>	<u>765</u>	<u>(91,177)</u>
Total comprehensive income/(loss) attributable to :					
Equity holders of the Company		<u>1,074</u>	<u>(583)</u>	<u>765</u>	<u>(91,177)</u>
Loss per share (sen):-					
a) Basic	(i)	-	-	-	(0.09)

Notes :

- (i) Basic loss per share for the quarter and financial period is calculated by dividing loss attributable to ordinary equity holders by the weighted average number of ordinary shares in issue for the quarter and financial period respectively
- (ii) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended ("FYE") 31 December 2015 and the accompanying explanatory notes attached to the interim financial report
- (iii) The negative amount was due to the reversal in current quarter under review of Company revenue from five (5) previous quarter to other income as the Group has ceased its operations since June 2015.
- (iv) Reversal of the depreciation amount of Non-Current Assets held for sale.
- (v) The other income was mainly derived from reversal of impairment losses on receivables and gain on deconsolidation of a subsidiary.

R&A TELECOMMUNICATION GROUP BERHAD (645677-D)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017**

	As at 30 June 2017 (Unaudited) RM'000	As at 31 December 2015 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	<u>137</u>	<u>836</u>
	<u>137</u>	<u>836</u>
Current assets		
Work-in-progress	-	13
Trade receivables	-	1,574
Other receivables	2,869	490
Cash and bank balances	<u>69</u>	<u>682</u>
	<u>2,938</u>	<u>2,759</u>
Non-current assets held for sales	9,048	9,448
Total assets	<u><u>12,123</u></u>	<u><u>13,043</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	48,343	48,343
Reserves	42,665	42,665
Accumulated losses	<u>(115,278)</u>	<u>(116,043)</u>
Total equity	<u>(24,270)</u>	<u>(25,035)</u>
Non-current liabilities		
Deferred tax liabilities	228	228
Finance lease liabilities	<u>163</u>	<u>319</u>
	<u>391</u>	<u>547</u>
Current liabilities		
Trade payables	982	2,921
Other payables	3,213	2,362
Amount due to Directors	379	53
Bank borrowings	31,195	31,910
Finance lease liabilities	<u>233</u>	<u>285</u>
	<u>36,002</u>	<u>37,531</u>
Total liabilities	36,393	38,078
Total equity and liabilities	<u><u>12,123</u></u>	<u><u>13,043</u></u>
Net liability per share attributable to ordinary equity holders of the Company (sen)	<u>(2.51)</u>	<u>(2.59)</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the FYE 31 December 2015 and the accompanying explanatory notes

R&A TELECOMMUNICATION GROUP BERHAD (645677-D)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIXTH QUARTER ENDED 30 JUNE 2017**

	Current year to date 30 June 2017 RM'000	Preceding year corresponding period 30 June 2016 RM'000
OPERATING ACTIVITIES		
Profit/(loss) before tax	765	(91,177)
Adjustments for non-cash items	(951)	85,756
Operating loss before working capital changes	(186)	(5,421)
Changes in working capital:-		
Inventories	-	-
Receivables	(743)	8,576
Payables	795	(2,677)
Cash (used in)/ generated from operations	(134)	478
Tax paid	-	(77)
Interest paid	(490)	(2,760)
Net cash used in operating activities	(624)	(2,359)
INVESTING ACTIVITIES		
Interest received	-	76
Proceeds from disposal of property, plant and equipment	842	2,157
Net cash inflow from deconsolidation of a subsidiary	93	-
Net cash from investing activities	935	2,233
FINANCING ACTIVITIES		
Repayment of finance lease liabilities	(208)	(390)
Repayment of borrowings	-	(9,757)
Net cash used in financing activities	(208)	(10,147)
Net Change in Cash and Cash Equivalents	103	(10,273)
Cash and Cash Equivalents at beginning of the period	(31,229)	(21,815)
Cash and Cash Equivalents at end of the period	(31,126)	(32,088)
Represented by :-		
Bank overdrafts	(31,195)	(32,219)
Cash and bank balances	69	131
	(31,126)	(32,088)

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the FYE 31 December 2015 and the accompanying explanatory notes attached to the interim financial report.

R&A TELECOMMUNICATION GROUP BERHAD (645677-D)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SIXTH QUARTER ENDED 30 JUNE 2017**

	<----- Attributable to owners of the Company ----->					
	<----- Non-distributable ----->				<---- Distributable ---->	
	Share capital RM '000	Share premium RM '000	Other reserves RM '000	Revaluation reserves RM '000	Accumulated losses RM '000	Total RM '000
Balance as at 1 January 2016	48,343	3,638	34,705	4,322	(116,043)	(25,035)
Loss for the financial period	-	-	-	-	765	765
Balance as at 30 June 2017	48,343	3,638	34,705	4,322	(115,278)	(24,270)
 As at preceding year corresponding quarter 30 June 2016						
Balance as at 1 January 2015	48,343	3,638	34,705	4,322	(25,621)	65,387
Loss for the financial period	-	-	-	-	(91,177)	(91,177)
Balance as at 30 June 2016	48,343	3,638	34,705	4,322	(116,798)	(25,790)

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the FYE 31 December 2015 and the accompanying explanatory notes attached to the interim financial report.

R&A TELECOMMUNICATION GROUP BERHAD (645677-D)

NOTES TO THE QUARTERLY REPORT

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

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements outlined in the Malaysian Financial Reporting Standards ("MFRS") No. 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), Paragraph 9.22 and Appendix 9B of the ACE Market Listing Requirements (“ACE LR”) of Bursa Malaysia Securities Berhad ("Bursa Securities").

The condensed consolidated interim financial report should be read in conjunction with the audited financial statements of R&A Telecommunication Group Berhad (“R&A” or the “Company”) and its subsidiaries (“Group”) for the Financial Year Ended (“FYE”) 31 December 2015 and the accompanying explanatory notes attached to the interim financial report.

A2. Significant accounting policies

The significant accounting policies and methods of computation adopted by the Group in this quarterly financial statement are consistent with those of the annual financial statements for the FYE 31 December 2015.

The Group has adopted all the new and revised MFRSs and IC Interpretations that became mandatory for the current reporting period. The adoption of these new and revised MFRSs and IC Interpretations does not impact in significant changes in the accounting policies of the Group.

A3. Change of financial year end

On 27 March 2017, the Company announced that the Board of Directors of the Company has approved the change of financial year end from 31 December to 30 June. Thus, the financial statements will be made up from 1 January 2016 to 30 June 2017 covering a period of 18 months. This quarterly report covers the period from 1 January 2016 to 31 March 2017 which is an additional quarter report arising from the change in year end to 30 June 2017.

A4. Qualification on the Auditors' Report of preceding annual financial statements

The Company has triggered the prescribed criteria pursuant to Rule 8.04(2) and Rule 2.1(f) of Guidance Note 3 ("GN3") under the ACE LR. As such, the Company is considered as a GN3 company.

The GN3 criteria was triggered pursuant to Rule 2.1(f) of GN3 where the auditors had expressed a disclaimer opinion in its report for the Company's Audited Financial Statements for the FYE 31 December 2014 that was announced on 30 April 2015.

A5. Seasonal or cyclical factors

The business operations of R&A are not affected by any seasonal and cyclical factors.

A6. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial quarter under review and financial year-to-date.

A7. Changes in estimates of amounts reported

There were no material changes in estimates of amounts reported in prior financial years that have a material effect on the current financial quarter under review and financial year-to-date.

A8. Issuance or repayment of debt and equity securities

There was no issuance or repayment of debt or equity securities, share buy-backs, share cancellations, share held as treasury shares and resale of treasury shares during the current financial quarter under review.

A9. Dividend paid

There was no dividend paid or declared during the current financial quarter under review.

A10. Segmental information

The Group is organised into the following operating segments:-

- a. Civil, mechanical and electrical works ("CME")
- b. Telecommunication equipment installation ("TI")
- c. In-building system ("IBS")

A10. Segmental information (cont'd)

Current Year Quarter Ended 30 June 2017	<u>CME</u> RM'000	<u>TI</u> RM'000	<u>IBS</u> RM'000	<u>Eliminations</u> RM'000	<u>Total</u> RM'000
Revenue					
External customers	-	-	-	-	-
Inter-segment	-	-	-	-	-
Total revenue	-	-	-	-	-
Result:					
Interest income					-
Interest expense					(48)
Depreciation					15
Other non cash expenses					(177)
Segment profit					1,074
Assets:					
Segment assets					12,123
Liabilities:					
Segment liabilities					36,393

Preceding Year Corresponding Quarter Ended 30 June 2016	<u>CME</u> RM'000	<u>TI</u> RM'000	<u>IBS</u> RM'000	<u>Eliminations</u> RM'000	<u>Total</u> RM'000
Revenue					
External customers	6	-	-	-	6
Inter-segment	-	-	-	-	-
Total revenue	6	-	-	-	6
Result:					
Interest income					-
Interest expense					(203)
Depreciation					(131)
Other non cash expenses					146
Segment loss					(583)
Assets:					
Segment assets					10,042
Liabilities:					
Segment liabilities					37,735

A10. Segmental information (cont'd)

The Group's segmental information by geographical location is not shown as the activities of the Group are conducted in Malaysia.

A11. Valuation of property, plant and equipment

The Group has not carried out any valuation on its property, plant and equipment during the current financial quarter under review and financial year-to-date.

A12. Capital commitments

There are no material capital commitments in respect of property, plant and equipment as at 30 June 2017.

A13. Capital expenditure

There were no major additions and disposals of property, plant and equipment during the current financial quarter under review and financial year-to-date.

A14. Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial quarter under review and financial year-to-date.

A15. Contingent liabilities and contingent assets

Save as disclosed below, the Group does not have any others contingent assets or liabilities as at 30 June 2017.

	RM'000
<u>Contingent Liabilities :</u>	
Corporate guarantees given by our Company to financial institutions for credit facilities granted to our subsidiary companies	31,495
Potential litigation and claim from utility service providers	1,084

A16. Subsequent material events

Save as disclosed below, there were no material events subsequent to the end of the current financial quarter under review:-

- a) The Company had on 13 October 2016 entered into a memorandum of understanding ("MOU") with Datuk Lau Beng Wei, Lau Beng Sin, Lee Wah Lian and Lee Teck Wee (collectively, the "Vendors") to record and confirm the understanding between the Vendors and R&A in respect of the proposed acquisition of the entire issued and paid-up share capital of Synergy Goldtree Sdn Bhd ("SGSB")("Sale Shares") from the Vendors, free from any encumbrances and together with all rights and benefits ("Proposed Acquisition"). The Proposed Acquisition shall be upon such terms and conditions to be set out in a share sale agreement ("SSA") and a profit guarantee agreement ("PGA") to be entered between the Vendors and R&A in due course. The Proposed Acquisition is intended to form part of R&A's proposed regularisation plan.

The objective of the MOU is to record the parties' intention in relation to the Proposed Acquisition which shall be incorporated into the SSA and terms and conditions to be mutually agreed between SGSB and R&A.

As part of the Proposed Acquisition, the Vendors shall guarantee a profit after tax of at least RM17,500,000 per financial year to be achieved by SGSB for the successive two (2) full financial years ("Profit Guarantee") upon the completion of proposed regularisation scheme in favour of R&A by the Vendors, or such other amount to be agreed by the parties under the PGA.

The Company had on 24 October 2016 announced that after due consideration of all facts and circumstances of the case including the written and oral representations of the Company with the Listing Committee of Bursa Securities on 13 October 2016 and the following:-

- (i) the Company had identified a new white knight, SGSB which had indicated its commitment towards the Company's proposed regularisation plan whereby a Memorandum of Understanding would be signed on 13 October 2016; and
- (ii) the representations by M&A Securities on the suitability of SGSB and its nature of business which is complimentary to the Company as both involved in the construction industry.

The Company had on 15 December 2016 announced that the Board of R&A on 13 December 2016 written to the Vendors to inform them that the Company is ceasing all negotiations with the Vendors with immediate effect and both parties have not entered into share sale agreement and profit guarantee agreement with the Vendors in relation to the Proposed Acquisition at this juncture.

A16. Subsequent material events (cont'd)

Further to the announcement dated 15 December 2016, the Company wishes to clarify that R&A is ceasing all negotiations with the Vendors in relation to the MOU with immediate effect mainly due to lack of progress from the Vendors.

- b) On 16 December 2016, the Company had submitted an application to Bursa Securities to seek a further extension of time of four (4) months of up to 30 April 2017 to submit the regularisation plan to the relevant regulatory authorities.
- c) The Company had on 19 December 2016 entered into a heads of agreement (“HOA”) with Lean Kock Kiang and Lee Sek Ang (collectively, the “Vendors”) to record and confirm the understanding between the Vendors and R&A in respect of the proposed acquisition of the entire issued and paid-up share capital of Forward Resources and Construction Sdn Bhd from the Vendors, free from any encumbrances and together will all rights and benefits (“Proposed Acquisition”). The Proposed Acquisition shall be upon such terms and conditions to be set out in a share sale agreement or such other equivalent agreement and a profit guarantee agreement to be entered between the Vendors and R&A in due course.

The Proposed Acquisition is intended to form part of R&A’s proposed regularisation plan. Pursuant to the HOA, R&A and the Vendors have jointly agreed to commence discussion and negotiations exclusively in good faith amongst themselves in relation to the Proposed Acquisition and to set out the minimum and binding commitment of the Vendors towards the submission of the regularisation plan by R&A.

On 18 January 2017, the Company had entered into a framework restructuring agreement (“Framework Restructuring Agreement”) with Lean Kock Kiang and Lee Sek Ang (collectively, the “Promoters”) and FRC Resources Sdn Bhd, a special purpose vehicle incorporated to serve as the new listed vehicle in place of the Company (collectively, the “Parties”) for the following purposes:

- (i) to set out the obligations of the Parties in relation to the preparation and submission of the Company’s regularisation plan to Bursa Securities and to implement such regularisation plan if it is approved by Bursa Securities; and
- (ii) the Promoters shall deposit a sum of RM2.5 million with their solicitors, which is to be utilised for the settlement of the scheme creditors of the Company and its wholly-owned subsidiary, R&A Telecommunication Sdn Bhd (“RASB”) under the debt restructuring scheme.

A16. Subsequent material events (cont'd)

On 15 March 2017, the Company had on 15 March 2017 entered into the following agreements:-

- (a) Conditional restructuring agreement ("Restructuring Agreement") with Lean Kock Kiang and Lee Sek Ang (collectively, the "Vendors") and FRC Resources Sdn Bhd ("FRCR") to implement the regularisation plan comprising the following proposals:-
 - (i) Proposed Capital Reduction;
 - (ii) Proposed Share Consolidation;
 - (iii) Proposed Debt Restructuring Scheme;
 - (iv) Proposed Acquisition;
 - (v) Proposed Share Exchange;
 - (vi) Proposed Special Issue of Shares;
 - (vii) Proposed Offer for Sale; and
 - (viii) Proposed Transfer of Listing Status.(collectively, the above shall be referred to as the "Proposed Regularisation Plan")
- (b) Share sale agreement with the Vendors for the Proposed Acquisition ("SSA");
- (c) Profit guarantee agreement with the Vendors ("PGA") in relation to the profit after taxation to be achieved by FRCSB for the financial year ending 31 March 2017 to 31 March 2019; and
- (d) Deed of novation with the Vendors and FRCR ("Deed of Novation") to assume all rights, title, benefits, interests, covenants, undertakings, duties, liabilities and obligations of R&A under the SSA and PGA.

The following agreements/documents have been executed on 8 May 2017 to vary certain components of the Original Regularisation Plan, as follows:-

- (i) supplemental restructuring agreement between R&A, the Vendors and FRCR to vary certain terms of the Original Regularisation Plan set out in the Restructuring Agreement ("Supplemental Restructuring Agreement");
- (ii) supplemental share sale agreement between R&A and the Vendors to vary certain terms of the Proposed Acquisition set out in the SSA ("Supplemental SSA");
- (iii) supplemental profit guarantee agreement between R&A and the Vendors to vary the terms of the PGA ("Supplemental PGA");
- (iv) supplemental deed of novation between R&A, the Vendors and FRCR for the consequential amendments to the Deed of Novation resulting from the above variations ("Supplemental Deed of Novation");

A16. Subsequent material events (cont'd)

- (v) Stakeholder agreement entered into between R&A, the Vendors and Ben & Partners ("Security Stakeholder") in respect of the 300,000,000 Consideration Shares to be held as security for the Vendor's profit guarantee obligations under the PGA (as varied by the Supplemental PGA) ("Pledged Shares") ("Stakeholder Agreement"); and
- (vi) Letters for the nomination of the Vendors' family holding vehicle, namely Prima Palma Sdn Bhd ("Prima Palma") to receive 400,000,000 Consideration Shares as part of the Vendors' shareholdings reorganisation of their FRCR Shares ("Nomination Letters").

(collectively, the Supplemental Restructuring Agreement, Supplemental SSA, Supplemental PGA and Supplemental Deed of Novation are known as the "Supplemental Agreements").

- d) On 17 February 2017, the Company had circulated a Notice to Warrant Holders (2012/2017) in relation to the expiry of and last date for exercise of Warrants 2012/2017. Pursuant to the terms and conditions stipulated in the Deed Poll and any deed supplemental thereto governing the Warrants, the Exercise Rights of the Warrants will expire at 5:00 p.m. on Wednesday, 22 March 2017 ("the Expiry Date"). All Warrant Holders intending to exercise their Warrants are advised to submit the documents referred to in Section 4 of this Notice to the Company's Share Registrar no later than 5:00 p.m. on the Expiry Date. Warrants not exercised by 5:00 p.m. on the Expiry Date will lapse and become null and void and shall cease to be exercisable thereafter. Warrants will be removed from the official list of Bursa Securities with effect from 9.00 a.m. on Thursday, 23 March 2017.
- e) Bursa Securities had vide its letter dated 22 February 2017 decided to grant the Company a further extension of time up to 30 April 2017 to submit its regularisation plan to the relevant authorities ("Further Extended Timeframe") subject to the Company making the Requisite Announcement on or before 15 March 2017.

Bursa Securities shall de-list the securities of the Company from the Official List of Bursa Securities pursuant to Rule 8.04 of the ACE Market Listing Requirements of Bursa Securities ("ACE LR") in the event that:-

- (i) the Company fails to make the requisite announcement on or before 15 March 2017;
- (ii) the Company fails to submit the regularisation plan to the relevant authorities for approval within the Further Extended Timeframe i.e. on or before 30 April 2017;
- (iii) the Company fails to obtain the approval for the implementation of its regularisation plan and does not appeal within the timeframe (or Extended timeframe, as the case may be) prescribed to lodge an appeal;
- (iv) the Company does not succeed in its appeal; or

A16. Subsequent material events (cont'd)

- (v) the Company fails to implement its regularisation plan within the timeframe or extended timeframes stipulated by the relevant authorities.

Upon occurrence of any of the events set out in paragraphs (i) to (v) above, Bursa Securities shall remove the securities of the Company from the Official List of Bursa Securities upon the expiry of two (2) market days from the date of the Company is notified by Bursa Securities or on such other date as may be specified by Bursa Securities.

- f) The Company had on 27 March 2017 submitted an application to the Securities Commission Malaysia (“SC”) to seek its ruling on whether the Rules under Paragraph 1.06 on Take-overs, Mergers and Compulsory Acquisitions apply to the Proposed Regularisation Plan of the Company. Pursuant to the notes of Paragraph 1.06 of the Rules, a person who is undertaking a scheme must seek a ruling or direction on the application of the Rules.
- g) The High Court of Malaya at Kuala Lumpur (Commercial Division) (“High Court”) has allowed the Restraining Order Application (“the Application”) pursuant to Sections 366 and 368 of the Companies Act 2016 (“the Act”) submitted by the Company and RASB on 3 April 2017 in respect of the following orders:-
 - (i) An order that a meeting of the creditors of RASB be convened to consider and if thought fit, approve a scheme of arrangement to be proposed between RASB and its creditors, which the meeting is to be summoned by giving notice of not less than twenty-one (21) days to the creditors concerned within a period of three (3) months from the date of the Order;
 - (ii) An order that a meeting of the creditors of R&A be convened to consider and if thought fit, approve a scheme of arrangement to be proposed between R&A and its creditors, which the meeting is to be summoned by giving notice of not less than twenty-one (21) days to the creditors concerned within a period of three (3) months from the date of the Order;
 - (iii) An order that a meeting of the shareholders of R&A be convened to consider and if thought fit, approve a scheme of arrangement to be proposed between the Company and its shareholders, which the meeting is to be summoned by giving notice of not less than twenty-one (21) days to the creditors concerned within a period of three (3) months from the date of the Order;

A16. Subsequent material events (cont'd)

- (iv) An order that any and all proceedings, claims, demands, execution and/or action against RASB, save and except for proceedings in Shah Alam High Court Originating Summons No. 24MFC-318-11/2015 (sealed Order for Execution No. BA-38-290-03/2016), whether pending or is proposed to be commenced, be restrained for a period of three (3) months from the date of the Order and no proceedings, claims, demands, execution and/or action can be commenced or proceeded with during such period without first obtaining the leave of this Honourable Court and subject to such terms as this Honourable Court may impose;
- (v) An order that any and all proceedings, claims, demands, execution and/or action against the Company, whether pending or is proposed to be commenced, be restrained for a period of three (3) months from the date of this order and no proceedings, claims, demands, execution and/or action can be commenced or proceeded with during such period without first obtaining the leave of this Honourable Court and subject to such terms as this Honourable Court may impose;
- (vi) An order that the nomination of Mr. Lim Tiong Jin as a Director of the Company pursuant to Section 368(2)(d) of the Act; and
- (vii) An order that the appointment of Mr. Lim Tiong Jin as a Director of RASB pursuant to Section 368(2)(d) of the Act.

The Sealed Restraining Order pursuant to Sections 366 and 368 of the Companies Act 2016 dated 11 April 2017 from the High Court of Malaya at Kuala Lumpur (Commercial Division) has been obtained, with the following orders:-

- (i) An order that a meeting of the creditors of RASB be convened to consider and if thought fit, approve a scheme of arrangement to be proposed between RASB and its creditors, which the meeting is to be summoned by giving notice of not less than twenty-one (21) days to the creditors concerned within a period of three (3) months from the date of the Order;
- (ii) An order that a meeting of the creditors of R&A be convened to consider and if thought fit, approve a scheme of arrangement to be proposed between R&A and its creditors, which the meeting is to be summoned by giving notice of not less than twenty-one (21) days to the creditors concerned within a period of three (3) months from the date of the Order;
- (iii) An order that a meeting of the shareholders of R&A be convened to consider and if thought fit, approve a scheme of arrangement to be proposed between the Company and its shareholders, which the meeting is to be summoned by giving notice of not less than twenty-one (21) days to the creditors concerned within a period of three (3) months from the date of the Order;

A16. Subsequent material events (cont'd)

- (iv) An order that any and all proceedings, claims, demands, execution and/or action against RASB, save and except for proceedings in Shah Alam High Court Originating Summons No. 24MFC-318-11/2015 (sealed Order for Execution No. BA-38-290-03/2016), whether pending or is proposed to be commenced, be restrained for a period of three (3) months from the date of the Order and no proceedings, claims, demands, execution and/or action can be commenced or proceeded with during such period without first obtaining the leave of this Honourable Court and subject to such terms as this Honourable Court may impose;
 - (v) An order that any and all proceedings, claims, demands, execution and/or action against the Company, whether pending or is proposed to be commenced, be restrained for a period of three (3) months from the date of this order and no proceedings, claims, demands, execution and/or action can be commenced or proceeded with during such period without first obtaining the leave of this Honourable Court and subject to such terms as this Honourable Court may impose;
 - (vi) An order that the nomination of Mr. Lim Tiong Jin as a Director of the Company pursuant to Section 368(2)(d) of the Act; and
An order that the appointment of Mr. Lim Tiong Jin as a Director of RASB pursuant to Section 368(2)(d) of the Act.
- h) The Company and RASB had on 5 April 2017, lodged a police report against its bank authorised signatories for criminal breach of trust:-
- (i) Two (2) of the bank authorised signatories of R&A had on 1 April 2014 paid an amount of RM4.2 million from the Company to RASB without authorisation of the Board.
 - (ii) One (1) of the bank authorised signatories of RASB had subsequently paid an amount of RM4.2 million from RASB to Info Genetic Sdn. Bhd. when there was no business relation between Info Genetic, RASB and the Company.
- i) The Company had on 27 April 2017 submitted an application for a further extension of time of two (2) months up to 30 June 2017 to submit its regularisation plan to the relevant regulatory authorities.
- j) Bursa Securities had vide its letter dated 26 May 2017 decided to grant the Company a further extension of time up to 30 June 2017 to submit its regularisation plan to the relevant authorities for approval ("the Further Extended Timeframe").

Bursa Securities further decided to de-list the securities of the Company from the Official List of Bursa Securities pursuant to Rule 8.04 of the ACE LR in the event that:-

- (i) the Company fails to submit the regularisation plan to the relevant authorities for approval within the Further Extended Timeframe i.e. on or before 30 June 2017;

A16. Subsequent material events (cont'd)

- (ii) the Company fails to obtain the approval for the implementation of its regularisation plan and does not appeal within the timeframe (or extended timeframe, as the case may be) prescribed to lodge an appeal;
- (iii) the Company does not succeed in its appeal; or
- (iv) the Company fails to implement its regularisation plan within the timeframe or extended timeframes stipulated by the relevant authorities.

Upon occurrence of any of the events set out in paragraphs (i) to (iv) above, the securities of the Company shall be removed from the Official List of Bursa Securities upon the expiry of two (2) market days from the date of the Company is notified by Bursa Securities or on such other date as may be specified by Bursa Securities.

- k) The Company had on 30 June 2017 submitted an application for a further extension of time of one (1) month up to 31 July 2017 to submit its regularisation plan to the relevant regulatory authorities.
- l) On 13 July 2017, the Board announced that the application for the Proposed Regularisation Plan has been submitted to Bursa Malaysia Securities Berhad on 13 July 2017.
- m) The Company and RASB has been advised by its solicitors on 14 July 2017 that the Sealed Restraining Order pursuant to Sections 366 and 368 of the Companies Act 2016 dated 10 July 2017 from the High Court of Malaya at Kuala Lumpur (Commercial Division) has been obtained (received on 14 July 2017), with an order that the period of the Restraining Orders dated 11 April 2017 be extended for a period of three (3) months, beginning from the date of the Order.
- n) Bursa Securities had vide its letter dated 21 July 2017 decided to grant the Company a further extension of time from 1 July 2017 to 13 July 2017 to submit the regularisation plan to the relevant regulatory authorities for approval.

Bursa Securities further decided to de-list the securities of R&A from the Official List of Bursa Securities pursuant to Rule 8.04 of the ACE Market Listing Requirements of Bursa Securities in the event that:-

- (i) the Company fails to obtain the approval for the implementation of its regularisation plan and does not appeal within the timeframe prescribed to lodge an appeal;
- (ii) the Company does not succeed in its appeal; or
- (iii) the Company fails to implement its regularisation plan within the timeframe or extended timeframe(s) stipulated by the relevant regulatory authorities.

A16. Subsequent material events (cont'd)

Upon occurrence of any of the events set out in paragraphs (a) to (c) above, the securities of the Company shall be removed from the Official List of Bursa Securities upon the expiry of two (2) market days from the date the Company is notified by Bursa Securities or on such other dates as may be specified by Bursa Securities.

- o) SC had vide its letter dated 28 July 2017 that the Rules and the Malaysian Code on Take-overs and Mergers 2016 shall apply to take-overs and mergers, howsoever effected, including by means of a scheme arrangement. In this regard, the proposed reverse take-over of R&A by the Vendors via FRCR ("Proposed RTO") to be effected by way of a scheme of arrangement is subject to the requirements under Schedule 3 of the Rules whereby:
- (a) R&A is required to appoint an independent adviser to advise its shareholders on the scheme of arrangement and such independent adviser is to comply with Schedule 2: Part II of the Rules where a holistic approach should be taken in assessing whether the scheme of arrangement is fair and reasonable;
 - (b) the independent advice letter shall be submitted to the SC within one (1) month from the date of the issuance of this ruling by the SC and must not be dispatched until the SC has notified that it has no further comments to the independent advice letter, a statement shall be included in the independent advice letter that such notification shall not be taken to suggest that the SC recommends the scheme of arrangement or assumes responsibility for the correctness of any statements made or opinions or reports expressed in the independent advice letter
 - (c) the independent advice letter shall be dispatched together with the scheme documents after:
 - (i) obtaining Bursa Malaysia Securities Berhad's ("Bursa Securities") approval and clearance for the respective Proposed Regularisation Plan and the explanatory statement cum circular;
 - (ii) the SC has notified that it has no further comments to the independent advice letter; and
 - (iii) the granting of a court order by the High Court of Malaya to convene a court convened meeting for the Proposed Debt Restructuring and the Proposed Share Exchange;
 - (d) the scheme of arrangement to be approved by at least-
 - (i) a majority in number of shareholders and 75% in value to the votes attached to the disinterested shares that are cast either in person or by proxy at a duly convened shareholders' meeting; and
 - (ii) the value of votes cast against the resolution for the scheme at such duly convened shareholders' meeting is not more than 10% of the votes attaching to all disinterested shares of the total voting shares of the offeree; and

A16. Subsequent material events (cont'd)

- (e) the relevant requirements under Schedule 3 in relation to the scheme documents (other than the independent advice letter) shall be deemed to be complied with by the submission of the scheme documents to Bursa Securities together with the Proposed Regularisation Plan and the clearance of the same by Bursa Securities.

A17. Significant related party transactions

There were no related party transactions entered into during the current financial quarter under review.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of the performance of the Group

For the current financial quarter ended 30 June 2017, no revenue was derived and the Group recorded profit after tax of RM1.074 million.

When compared to the preceding year corresponding financial quarter, the Group recorded a decrease of RM0.084 million in revenue. The decrease in revenue was due to the reversal of the Group's revenue from previous five (5) quarters to other income as the Group ceased its operations since June 2015. The increase in profit after tax of RM1.657 million in current financial quarter was due to the increase in other income compared to the preceding year corresponding financial quarter.

B2. Comparison to the results of the preceding quarter

	Current Quarter 30 June 2017 RM'000	Preceding Quarter 31 March 2016 RM'000
Revenue	(78)	10
Profit/(loss) before tax	1,074	(291)

For the current financial quarter ended 30 June 2017, the Company's revenue in negative amount was due to the reversal in current quarter of the previous quarters' revenue to other income. The Company had recorded profit before tax position of RM1.074 million due to gain on deconsolidation of a subsidiary during current quarter under review.

B3. Prospects for 2017

Due to its GN3 classification, prospects for R&A in the Telecommunication industry are limited for the foreseeable future as access to funds are limited. However the Company is currently undergoing a process to regularise its condition. The Board will continue its current effort to implement various measures to turnaround the Group's profitability.

The Company has submitted the Proposed Regularisation Plan to Bursa Securities to regularise its financial condition is still pending decision by authorities.

B4. Profit forecast and profit estimate

The Group has not issued any profit forecast or profit estimate for the current financial quarter under review or in any public documents.

B5. Loss before tax

	Current Quarter 30 June 2017 RM'000	Cumulative Year-to-date 30 June 2017 RM'000
Profit before tax is arrived at after charging / (crediting):		
- Bad debts written off	376	376
- Depreciation	(15)	372
- Impairment loss on receivables	(94)	393
- Interest expenses	48	490
- Gain on disposal of property, plant and equipment	(142)	(151)
- Gain on deconsolidation of a subsidiary	(1,351)	(1,641)
- Property, plant and equipment written off	37	37
- Reversal of impairment loss on receivables	(107)	(827)
- Reversal of impairment on non-current assets held for sales	82	-

Other disclosure items pursuant to Rule 16 of Appendix 9B of the ACE LR of Bursa Securities are not applicable.

B6. Taxation

There are no tax charges for the current quarter.

B7. Status of corporate proposals

Save for the Proposed Regularisation Plan, there were no other corporate proposals announced as at the date of issuance of this announcement.

B8. Status of utilisation of proceeds

There were no proceeds raised from any proposals during the current financial quarter under review and financial year-to-date.

B9. Realised and unrealised profits

The breakdown of accumulated losses of the Group and the Company for the financial quarter ended 30 June 2017 and preceding year corresponding quarter ended 30 June 2016, is as follows:-

	Group Quarter Ended 30 June 2017 RM'000	Group Quarter Ended 30 June 2016 RM'000
Total accumulated losses of the Group:		
- Realised	(122,426)	(124,335)
- Unrealised (in respect of deferred tax recognised in the income statement)	-	-
	<hr/>	<hr/>
	(122,426)	(124,335)
Less : Consolidation adjustments	7,148	5,634
Total Group accumulated losses as per consolidated accounts	<hr/> <hr/> (115,278)	<hr/> <hr/> (118,701)
	Company Quarter Ended 30 June 2017 RM'000	Company Quarter Ended 30 June 2016 RM'000
Total accumulated losses of the Company :		
- Realised	(78,440)	(77,923)
- Unrealised (in respect of deferred tax recognised in the income statement)	-	-
Total Company's accumulated losses as per accounts	<hr/> <hr/> (78,440)	<hr/> <hr/> (77,923)

B10. Group borrowings and debt securities

The borrowings of the Group as at the end of the current financial quarter were as follows:-

	Short Term RM'000	Long Term RM'000	Total RM'000
<u>Secured</u>			
Bank overdrafts	30,379	-	30,379
<u>Unsecured</u>			
Finance lease liabilities	233	163	396
Bank overdrafts	816	-	816
	<u>31,428</u>	<u>163</u>	<u>31,591</u>

None of the above borrowings are dominated in foreign currencies.

B11. Material litigations

Save as disclosed below, to the best knowledge of the Board, our Group is not involved in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board has no knowledge of any proceedings pending or threatened against our Group or any facts which are likely to give rise to any proceedings, which may materially and adversely affect the business or financial position of our Group:-

- (a) By various letters of demand received by RASB, a wholly-owned subsidiary of our Company, from February 2015 up to May 2017, the Employees' Provident Fund ("EPF") Board ("EPF Board") had via its solicitors demanded from RASB and its directors the following;
 - (i) the sums of RM42,490 and RM24,672 being the accrued dividend and late payment charges, respectively in respect of the Contributions for the months of January 2014 to March 2014. Upon proposal for settlement made by R&A Tele, the EPF Board has agreed for such sum to be settled by way of six (6) monthly instalments of RM11,197 for the first month and the remaining months of RM11,193 each which commences from 7 March 2017 to 7 August 2017. As at the date of this report, RASB has forwarded post-dated cheques for the aforesaid sum;

B11. Material litigations (cont'd)

- (ii) the sums of RM23,812 and RM29,325 being the accrued dividend and late payment charges, respectively in respect of the Contributions for the months of April 2014 to June 2014. Upon proposal for settlement made by R&A Tele, the EPF Board has agreed for such sum to be settled by way of six (6) monthly instalments of RM6,902 for the first month and the remaining RM6,901 each, commencing from 29 May 2017 to 29 October 2017 excluding costs of legal action of RM2,000. As at the date of this report, RASB is negotiating with the EPF Board for the first instalment payment to commence from June 2017 and has forwarded cheque for the costs of legal action of RM2,000 as well as the first and second instalments to the EPF Board;
 - (iii) the sum of RM650,897 being the outstanding Contributions for the months of July 2014 to December 2014. As at the date of this report, RASB has fully settled the aforesaid sum save for the accrued dividend and interest which is still pending confirmation by the EPF Board in respect of the final accrued dividend and interest payable by RASB; and
 - (vii) the sum of RM420,509 being the outstanding Contributions from January 2015 to May 2015. As at the date of this report, has paid RM217,762 for the outstanding and remaining Contributions is expected to be progressively settled by R&A Tele by second half of 2017, save for the accrued dividend and interest which is still pending confirmation by the EPF Board in respect of the final amount payable by RASB. As at the date of this report, RASB is negotiating with the EPF Board on the outstanding payment.
- (b) By a letter of demand (“Demand”) dated 9 May 2014, Tenaga Nasional Berhad (“TNB”) had via its solicitors demanded from RASB the sum of RM568,077.30 being the cost of repair in respect of damage to 33kV electric cables from PMU Air Terjun to PPU Batu Ferringhi and from PPU Tanjung Bungah to PPU Pulau Tikus allegedly caused by RASB or its employees or its agents when carrying out their construction works.

On 23 August 2016, RASB was served a Writ of Summons and Statement of Claim dated 11 August 2016 by TNB via its solicitors, demanding the following:-

- (i) The sum of RM568,077.30 as compensation to TNB resulting from RASB’s negligence;
- (ii) Interest at the rate of 5% per annum on the amount of RM568,077.30 stated above and calculated from 13 February 2014 until the date of full settlement;
- (iii) Cost incurred for this Writ of Summons and Statement of Claim; and

B11. Material litigations (cont'd)

- (iv) Any other relief deemed suitable and beneficial as the Court may deem fit,
and any fixed amount for cost and, in the event TNB managed to obtain ruling for substituted service, an additional amount to be determined.

The matter has been fixed for case management on 16 October 2017, pending the expiry of the Restraining Order.

- (c) By a letter of demand dated 11 August 2015, Maybank Islamic Berhad (“Maybank Islamic” or the “Plaintiff”) had via its solicitors demanded from RASB the sum of RM30,543,050.52 being the amounts due and owing under various Islamic financing facilities granted by Maybank Islamic.

On 13 October 2015, the Company and RASB were served a Writ dated 30 September 2015 together with Statement of Claim dated 29 September 2015 by Maybank Islamic via its solicitors, demanding the following:-

- (i) the total principal amount due and owing to Maybank Islamic as at 31 July 2015 of RM30,525,486.88;
- (ii) profit and ta'widh or Late Payment Charge at the respective rates set out in the Statement of Claim from 1 August 2015 until the date of full payment;
- (iii) cost; and
- (iv) such further and other reliefs as they may deem fit.

On 1 December 2015, the Company announced that Maybank Islamic has obtained Judgments against RASB (“1st Defendant”); the Company (“2nd Defendant”); and Mr. Francis Tan Hock Leong (“3rd Defendant”), for the sum of RM30,543,050.52, being the principal amount due and owing to Maybank Islamic as at 31 July 2015 of RM30,525,486.88 plus profit and ta'widh or late payment charge for July 2015 of RM17,563.64, as well as profit and ta'widh or late payment charges at the respective rates from 1 August 2015 until the date of full payment and costs.

On 17 March 2016, the Company announced that RASB has been served a sealed order for the said civil suit from the solicitors acting for Maybank Islamic (“Sealed Order”). Based on the Sealed Order, the Shah Alam High Court has allowed Maybank Islamic’s application to dispose of all the properties held under HS(D) No. 102253, PT No. 16067, Mukim Damansara, Daerah Petaling, Selangor (“the Properties”) via a public auction to fully settle the amount owing to Maybank Islamic as at 4 February 2016 amounting to RM31,236,121.05 together with further profit and ta'widh or Late Payment Charge on the amount owing at the respective rates set out in the Sealed Order. The auction will be conducted at the Shah Alam High Court on 5 May 2016 at 9:00 a.m. or at any other time as may be deemed suitable.

B11. Material litigations (cont'd)

On 29 March 2016, the Company announced that RASB has been served a sealed notice of application dated 15 March 2016 from the solicitors acting for Maybank Islamic in relation to the appointment of a Licensed Auctioneer to dispose of the Properties. The appeal was fixed for hearing on 18 April 2016.

On 18 May 2016, the Company announced that RASB has been served a sealed order dated 18 April 2016 from the solicitors acting for Maybank Islamic, in relation to the appointment of a Licensed Auctioneer to dispose of the Properties. Based on the Sealed Order, the auction will be conducted at the Shah Alam High Court on 24 May 2016 at 10:30 a.m. or at any other time as may be deemed suitable.

On 21 June 2016, the Company announced that RASB has been served a sealed notice of application dated 7 June 2016 from the solicitors acting for Maybank Islamic in relation to the fixing of a new auction date and appointment of a Licensed Auctioneer to dispose of the Properties. Based on the Sealed Notice of Application, the Properties were not sold at the public auction conducted on 24 May 2016 due to the absence of bidders. The appeal was fixed for hearing on 25 July 2016 at the Shah Alam High Court.

On 1 August 2016, RASB had received a Notice pursuant to Section 218(2)(a) of the Companies Act, 1965 from solicitors acting on behalf of Maybank Islamic demanding for:-

- (i) the sum of RM30,543,050.52;
- (ii) Profit and ta'widh or Late Payment Charge at the respective rates set out below from 1 August 2015 until the date of full payment :-

B11. Material litigations (cont'd)

Amount owing and due as at 31 July 2015 (RM)	Profit on principal amount from 1 August 2015	Ta'widh or Late Payment Charge from 1 August 2015
<p>11,811,689.26</p> <p>Principal amount owing and due as at 31 July 2015 :-</p> <p>11,811,689.26</p>	<p>Base Financing Rate (BFR) + 1.5% per annum calculated based on daily rest rate until full settlement or when it has achieved the bank selling price of RM21,595,000, whichever is earlier.</p>	<p>1% per annum on the principal amount until the date of judgement or the end of tenure of the facilities (5 January 2020), whichever is earlier. Subsequently, based on daily overnight rate of the Islamic Interbank Money Market until full settlement.</p>
<p>10,118,355.74</p> <p>Principal amount owing and due as at 31 July 2015 :-</p> <p>10,118,355.74</p>	<p>BFR + 1.25% per annum calculated based on daily rest rate until full settlement or when it has achieved the bank selling price of RM20,052,500, whichever is earlier.</p>	<p>1% per annum on the principal amount until the date of judgement or the end of tenure of the facilities (5 January 2020), whichever is earlier. Subsequently, based on daily overnight rate of the Islamic Interbank Money Market until full settlement.</p>
<p>3,085,000.00</p> <p>Principal amount owing and due as at 31 July 2015 :-</p> <p>3,085,000.00</p>		<p>1% per annum on the principal amount until the date of judgement or the end of tenure of the facilities (5 January 2020), whichever is earlier. Subsequently, based on daily overnight rate of the Islamic Interbank Money Market until full settlement.</p>
<p>5,528,005.52</p> <p>Principal amount owing and due as at 31 July 2015 :-</p> <p>5,510,441.88</p>		<p>Daily overnight rate of the Islamic Interbank Money Market until full settlement.</p>

B11. Material litigations (cont'd)

- (ii) costs of RM1,500.00,

being the amount due and owing by RASB to Maybank Islamic pursuant to the judgement dated 28 October 2015 obtained by Maybank against RASB in respect of Shah Alam High Court Suit No. 22M-19-09/2015.

On 24 August 2016, the Company announced that RASB has been served a sealed order dated 27 July 2016 from the solicitors acting for Maybank Islamic with the following orders:-

- (i) The auction of land hold under HS(D) No. 102253, No. PT 16067, Mukim Damansara, Daerah Petaling, Selangor (“the Properties”) will be conducted at the Shah Alam High Court on 24 August 2016 at 10:30 a.m. or at any other time as may be deemed suitable;
- (ii) Tuan Shah Abu Zar Bin Haji Taib from Tras Auction House with address No. 9B, Jalan Haji Salleh, Sentul, 51100 Kuala Lumpur, a Licensed Auctioneer, is appointed to conduct the auction for the disposal of the Properties;
- (iii) The reserved price of the Properties is set at RM11,448,000/- (inclusive of 6% Goods and Services Tax); and
- (iv) All instructions given from the court orders dated 4 February 2016 and 18 April 2016 that do not conflict with the terms of the Sealed Order shall be remained any other orders as they may deem fit.

On 20 September 2016, the Company announced that RASB has been served a sealed notice of application dated 29 August 2016 from the solicitors acting for Maybank Islamic in relation to the fixing of a new auction date and appointment of a Licensed Auctioneer to dispose of the Properties. Based on the Sealed Notice of Application, the Properties were not sold at the public auction conducted on 24 August 2016 due to the absence of bidders. The appeal was fixed for hearing on 27 September 2016 at the Shah Alam High Court.

On 29 September 2016, the Company announced that RASB has been served a sealed notice of motion dated 22 September 2016 from the solicitors acting for Maybank Islamic, for the following orders:-

- (i) In the event RASB is ordered to be wound-up, Lim Tian Huat from Rodgers Reidy & Co. be hereby appointed as the Liquidator of RASB (“Proposed Liquidator”);
- (ii) The Proposed Liquidator is hereby authorised to appoint an advocate and solicitor to assist him in his duties;
- (iii) Costs of this application shall be paid to the Applicant from the assets of RASB; and
- (iv) Such other orders and directions which the Court deems fit and proper.

B11. Material litigations (cont'd)

The grounds for this application are, inter alia, as follows:

- (i) The Applicant is a secured creditor and judgment creditor of RASB;
- (ii) The appointment of the Proposed Liquidator will expedite the liquidation process of RASB;
- (iii) The appointment of the Proposed Liquidator is also necessary so that an immediate and thorough investigation can be carried out into the affairs and assets of RASB. Such an investigation is necessary since RASB is indebted to creditors in substantial amounts;
- (iv) The appointment of the Proposed Liquidator will be in the best interest of the creditors of RASB; and
- (v) Such other grounds stated in the affidavit affirmed by Nor Lida Binti Raja Omar in support of the application.

On 24 October 2016, the Company announced that RASB received a winding-up petition dated 11 October 2016 by solicitors acting on behalf of Maybank Islamic. The winding-up petition against RASB was presented to the High Court of Malaya at Kuala Lumpur by Maybank Islamic on 11 October 2016 and a copy was served on RASB on 20 October 2016. The hearing date of the winding petition has been fixed on 13 December 2016. The particulars of the claim under the winding-up petition are as follows:-

- (i) That R&A may be wound up by the Court under provisions of the Companies Act, 1965;
- (ii) That Lim Tian Huat (NRIC No. 541128-04-5235) of Rodgers Reidy & Co., K-3A-09, No. 2, Jalan Solaris, Solaris Mont' Kiara, 50480 Kuala Lumpur, an Official Receiver be appointed as the Liquidator of R&A;
- (iii) That the Petitioner be allowed its costs of and incidental to the winding-up to be taxed by the proper officer of the Court and paid by the Liquidator out of the assets of R&A; and
- (iv) That such other Order may be made in the premises as to the Court shall deem fit and just.

On 24 October 2016, the Company announced that the winding-up petition against R&A was presented and filed to the High Court of Malaya at Kuala Lumpur by Messrs Lee Hishammuddin Allen & Gledhill, solicitors for Maybank Islamic on 13 October 2016.

On 14 November 2016, the Company announced that RASB received a letter dated 8 November 2016 from the solicitors acting for Maybank Islamic to inform that hearing has been adjourned to Wednesday, 23 November 2016 at the Shah Alam High Court at Bangunan Kompleks Mahkamah, Sultan Salahuddin Abdul Aziz Shah, Aras 2, Sayap Kiri, Persiaran Pegawai Seksyen 5, Shah Alam, Selangor Darul Ehsan at 9.00 a.m to dispose of the Properties. The Properties were not sold at the public auction conducted on 27 September 2016 due to the absence of bidders.

B11. Material litigations (cont'd)

On 1 December 2016, the Company announced that RASB received a letter dated 23 November 2016 from the solicitors acting for Maybank Islamic to inform that hearing has been adjourned to Tuesday, 6 December 2016 at the Shah Alam High Court at Bangunan Kompleks Mahkamah, Sultan Salahuddin Abdul Aziz Shah, Aras 2, Sayap Kiri, Persiaran Pegawai Seksyen 5, Shah Alam, Selangor Darul Ehsan at 9.00 a.m to dispose of the Properties.

On 14 December 2016, the Company announced that RASB received a letter dated 6 December 2016 from the solicitors acting for Maybank Islamic to inform that hearing has been adjourned to Tuesday, 10 January 2017 at the Shah Alam High Court at Bangunan Kompleks Mahkamah, Sultan Salahuddin Abdul Aziz Shah, Aras 2, Sayap Kiri, Persiaran Pegawai Seksyen 5, Shah Alam, Selangor Darul Ehsan at 9.00 a.m to dispose of the Properties.

On 17 February 2017, the Company announced that RASB has been served a sealed order dated 10 January 2017 from the solicitors acting for Maybank Islamic with the following orders:-

- (i) the auction of land held under HS(D) No. 102253, No. PT 16067, Mukim Damansara, Daerah Petaling, Selangor (“the Properties”) will be conducted at the Shah Alam High Court on 24 February 2017 at 10:30 a.m. or at any other time as may be deemed suitable;
- (ii) Tuan Chew Kok Eng from Urban Properties Auctioneers with address Suite 2-5-5, Level 5, No. 2, Wisma Manjalara, Jalan 7A/62A, Bandar Manjalara, 52200 Kuala Lumpur, a Licensed Auctioneer, is appointed to conduct the auction for the disposal of the Properties;
- (iii) the reserved price of the Properties is set at RM10,303,200/- (inclusive of 6% Goods and Services Tax); and
- (iv) all instructions given from the court orders dated 4 February 2016, 18 April 2016 and 25 July 2016 that do not conflict with the terms of the Sealed Order shall be remained.

On 29 March 2017, the Company announced that RASB has been served a sealed notice of application dated 14 March 2017 from the solicitors acting for Maybank Islamic with the following orders:-

- (i) To fix a new auction date for the auction of land held under HS(D) No. 102253, No. PT 16067, Mukim Damansara, Daerah Petaling, Selangor (“the Properties”) that will be conducted at the Shah Alam High Court at 10.30 a.m. or at any other time as may be deemed suitable;
- (ii) To appoint a Licensed Auctioneer to conduct the auction for the disposal of the Properties;
- (iii) The reserved price of the Properties is to be set at RM10,303,200/- (inclusive of 6% Goods and Services Tax);
- (iv) All instructions given from the court orders dated 4 February 2016, 18 April 2016, 25 July 2016 and 10 January 2017 that do not conflict with the terms of the order shall be remained; and

B11. Material litigations (cont'd)

- (v) Any other reliefs that the Court deemed fit and proper.

The reasons for the application are as follows:-

- (i) The auction that scheduled to be held on 24 February 2017 had been put on hold by the Shah Alam High Court upon Maybank Islamic's application; and
- (ii) Other reasons as stated in the affidavit filed by Nor Lida Binti Raja Omar to the Shah Alam High Court. Nor Lida Binti Raja Omar, the Head of Group 1, Remedial / Asset Reconstruction 2, Corporate Recovery Management of Malayan Banking Berhad and being the holder of power of attorney, pledged and supported the Affidavit in support of Maybank Islamic's application on the orders as stated above.

The above matter has been fixed for hearing at the Shah Alam High Court at Bangunan Kompleks Mahkamah, Sultan Salahuddin Abdul Aziz Shah, Tingkat 3, Sayap Kiri, Bangunan Utama, Persiaran Pegawai, Seksyen 5, 40000 Shah Alam, Selangor Darul Ehsan on Monday, 24 April 2017 at 9.00 a.m.

On 11 April 2017, the Company announced that RASB received a letter dated 6 April 2017 from the solicitors acting for Maybank Islamic notifying that hearing has been adjourned to Wednesday, 24 May 2017 at 9.00 a.m. at the Shah Alam High Court at Bangunan Kompleks Mahkamah, Sultan Salahuddin Abdul Aziz Shah, Aras 3, Sayap Kiri, Bangunan Utama, Persiaran Pegawai, Seksyen 5, 40000 Shah Alam, Selangor Darul Ehsan to dispose of the Properties.

Maybank Islamic's winding petition was struck out with liberty to file afresh and with no orders as to costs on 11 April 2017. This was upon Maybank's oral application to withdraw the petition on the same date, and in view of the restraining order obtained on 11 April 2017.

The hearing for the auction of land has been adjourned from 23 August 2017 to Tuesday, 5 September 2017.

- (d) On 19 November 2015, RASB was served a Writ and Statement of Claim dated 13 November 2015 by solicitors acting on behalf of KVC Industrial Supplies Sdn Bhd ("KVC") demanding for:-
 - (i) the sum of RM35,505.49 as at 9 November 2015;
 - (ii) late payment interest on the amount of RM31,163.00 at a rate of 1.5% per month from 10 November 2015 until the date of full payment;
 - (iii) cost; and
 - (iv) any other orders as they may deem fit.

The claim resulted from RASB failing to settle the outstanding amount for goods sold.

B11. Material litigations (cont'd)

On 18 December 2015, RASB received a Judgement in default of appearance dated 3 December 2015 from solicitors acting on behalf of KVC, wherein the Company and RASB were directed to pay to KVC:-

- (i) the sum of RM35,505.49;
- (ii) late payment interest on the amount of RM31,163.00 at a rate of 1.5% per month from 10 October 2015 until the date of full payment; and
- (iii) cost of RM804.00.

On 19 July 2016, the Company announced that RASB has been served a sealed notice of application dated 14 July 2016 from the solicitors acting for KVC in relation to the fixing of hearing date. The above matter has been fixed for hearing on 28 July 2016 at the Magistrate's Court at No. MMS1 at Aras 3, Sayap Kiri, Kompleks Mahkamah Kuala Lumpur, Jalan Duta, 50592 Kuala Lumpur at 9.00 a.m..

- (e) On 2 December 2015, the Company and RASB received a notice of demand dated 27 November 2015 from solicitors acting on behalf of United Overseas Bank (Malaysia) Bhd ("UOBM"). The notice of demand was for the sum of RM763,267.58 being the amount in arrears/excess as at 31 October 2015.

The claim is in relation to a performance guarantee issued for a project on the construction of unipoles and advertising panels at petrol stations which did not take off as planned.

On 19 February 2016, the Company and RASB received a notice of recall dated 17 February 2016 from solicitors acting on behalf of UOBM for the sum of RM776,529.95 being the amount in arrears/excess as at 31 December 2015 together with interest thereon at the rate of 3.5% per annum above UOBM's Base Lending Rate on monthly rests basis from 1 January 2016 to date of final payment.

On 5 April 2016, the Company and RASB were served a Writ of Summons together with Statement of Claim dated 31 March 2016 by UOBM via its solicitors, demanding the following:-

- (i) the sum of RM776,529.95 as at 31 December 2015 together with interest thereon at a rate of 3.50% per annum above UOBM's Base Lending Rate ("BLR") on monthly rest basis from 1 January 2016 until the date of full payment;
- (ii) costs on an indemnity basis; and
- (ii) such other reliefs as the Court may deem fit.

The serving of the Writ of Summons and Statement of Claim was due to RASB failing to settle the outstanding amount of RM776,529.95 for credit facilities granted by UOBM to RASB. The case management matter has been fixed on 28 April 2016 at Kuala Lumpur Sessions Court.

B11. Material litigations (cont'd)

On 29 April 2016, the Company and RASB were served a sealed Judgement dated 25 April 2016 by solicitors acting on behalf of UOBM, wherein the Company and RASB were directed to pay to the UOBM:-

- (i) the sum of RM776,529.95 together with interest thereon at a rate of 3.50% per annum above UOBM's Base Lending Rate on monthly rest basis from 1 January 2016 until the date of full settlement; and
- (ii) cost of action of RM1,052.00.

On 3 August 2016, Company and RASB had received a Notice dated 3 August 2016 pursuant to Section 218 of the Companies Act, 1965 from solicitors acting on behalf of UOBM demanding the Company and RASB to pay UOBM RM826,628.00, being the judgement sum payable pursuant to Judgement in Default of Appearance dated 25 April 2016, particulars of which are as follows:-

- (i) the sum of RM776,529.95 together with interest at the rate of 3.50% per annum above UOB's Base Lending Rate calculated on monthly rests basis ("the Interest") from 1 January 2016 until 3 August 2016; and
- (ii) cost in sum of RM1,052.00;

together with all other sums of the interest calculating from 4 August 2016 until date of full settlement.

The Company and RASB had on 14 December 2016 received a Notice dated 13 December 2016 pursuant to Section 218 of the Companies Act, 1965 from solicitors acting on behalf for UOBM demanding the Company and RASB to pay UOBM RM766,338.47, being the judgment sum payable pursuant to Judgment in Default of Appearance dated 25 April 2016, particulars of which are as follows:-

- (i) the sum of RM776,529.95 together with interest at the rate of 3.50% per annum above UOB's Base Lending Rate calculated on monthly rests basis from 1 January 2016 until 13 December 2016; and
- (ii) cost in the sum of RM1,052.00;

together with all other sums of the interest calculating from 14 December 2016 until date of full settlement.

The Company and RASB have been given 21 days from the receipt of the Notice to make payment for the above-mentioned sum failing which, the Company and RASB would be deemed to be unable to pay the debt within the meaning of Section 218(1)(e) of the Companies Act, 1965 and winding-up proceedings shall thereafter be instituted against the Company and RASB.

B11. Material litigations (cont'd)

RASB received a winding-up petition dated 20 February 2017 by solicitors acting on behalf of UOBM. The winding-up petition against RASB was presented to the High Court of Malaya at Kuala Lumpur by Messrs. Gan Partnership, solicitors for UOBM on 20 February 2017 and a copy was served to RASB at its registered address of Level 7, Menara Milenium, Jalan Damansara, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur on 28 February 2017. The hearing date for the winding petition was fixed on 21 April 2017. The particulars of the claim under the winding-up petition are as follows:-

- (i) RM776,529.95 on 1 January 2016 together with interest at the rate of 3.50% per annum above the Petitioner's Base Lending Rate on a monthly rests from 1 January 2016 to the date of the final settlement; and
- (ii) Costs of RM1,052.00.

The Company received a winding-up petition dated 21 February 2017 by solicitors acting on behalf of UOBM. The winding-up petition against RASB was presented to the High Court of Malaya at Kuala Lumpur by Messrs. Gan Partnership, solicitors for UOBM on 20 February 2017 and a copy was served to RASB at its registered address of Level 7, Menara Milenium, Jalan Damansara, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur on 28 February 2017. The hearing date for the winding petition was fixed on 13 April 2017. The particulars of the claim under the winding-up petition are as follows:-

- (i) RM776,529.95 on 1 January 2016 together with interest at the rate of 3.50% per annum above the Petitioner's Base Lending Rate on a monthly rests from 1 January 2016 to the date of the final settlement; and
- (ii) Costs of RM1,052.00.

The Company had on 20 April 2017 received a letter dated 17 April 2017 from Messrs. Gan Partnership, the solicitors acting for UOBM notifying that the hearing has been fixed on Thursday, 27 April 2017 at 9.00 a.m.

The hearing date for the winding petition for the Company and RASB has been adjourned to 11 October and 13 October 2017 respectively in view of the Restraining Order.

B11. Material litigations (cont'd)

- (f) On 18 January 2016, the Company and RASB were served a Writ of Summons and Statement of Claim dated 4 January 2016 by solicitors acting on behalf of Orix Credit Malaysia Sdn Bhd (“Orix”) demanding the following:-
- (i) the sum of RM208,020.27 as at 18 September 2015;
 - (ii) late payment interest at a rate of 0.065% per day on the amount of RM195,385.18 from 19 September 2015 until the date of full payment;
 - (iii) cost of action; and
 - (iv) such other reliefs as they may deem fit.

The claim resulted from RASB failing to settle the outstanding amount for the hiring of goods.

On 11 February 2016, the Company and RASB were served a sealed Judgement In Default dated 3 February 2016 by solicitors acting on behalf of Orix, wherein the Company and RASB were directed to pay to the Orix:-

- (i) the sum of RM208,020.27;
- (ii) late payment interest on the amount of RM195,385.18 at a rate of 0.065% per day from 19 September 2015 until the date of full payment; and
- (h) cost of RM1,377.80.

On 3 May 2016, the Company received a notice pursuant to Section 218 of the Companies Act, 1965 (“Act”) dated 3 May 2016 from Messrs. K L Wong, being the solicitors for Orix (“Notice”) demanding for:-

- (i) the balance sum of RM208,020.27 as at 18 September 2015 together with interest at the rate of 0.065% per day on the sum of RM195,385.18 from 19 September 2015 till full settlement; and
- (ii) costs of RM1,377.80,

being the sum due and payable in respect of a Judgment in Default dated 3 February 2016 obtained at the Kuala Lumpur Sessions Court, within 21 days from the date of receipt of the Notice, failing which winding-up proceedings shall be instituted against the Company.

- (g) On 1 August 2016, RASB was served a Writ of Summons and Statement of Claim dated 20 July 2016 by solicitors acting on behalf of Telekom Malaysia Berhad (“Telekom”) demanding for:-
- (i) the sum of RM47,987.90 as compensation to Telekom;
 - (ii) interest at the rate of 5% per annum on the amount of RM47,987.90 stated above and calculated from the date of filing of the Writ and Statement of Claim until the date of full settlement;
 - (iii) cost incurred for this Writ and Statement of Claim; and
 - (iii) any other orders, relief or instruction(s) deemed relevant and suitable as the Court may deem fit.

B11. Material litigations (cont'd)

And the amount of RM600/- (or any fixed amount) for cost and, in the event Telekom managed to obtain ruling for substituted service, an additional amount of RM300/- (or any fixed amount).

On 23 August 2016, RASB received a Judgement in default of appearance dated 19 August 2016 from solicitors acting on behalf of Telekom, wherein RASB has been ordered to pay Telekom the claim pursuant to the Writ and Statement of Claim dated 20 July 2016 as below:-

- (i) the sum of RM47,987.90 as compensation to Telekom;
- (ii) interest at the rate of 5% per annum on the amount of RM47,987.90 stated above and calculated from the date of filing of the Writ and Statement of Claim until the date of full settlement; and
- (iii) cost incurred of RM788.00.

RASB has been given fourteen (14) days from the date of the letter to pay the abovementioned sum.

On 26 October 2016, RASB had received a notice pursuant to Section 218 of the Companies Act, 1965 dated 20 October 2016 from solicitors acting on behalf of Telekom demanding for:-

- (i) RM47,987.90 being the sum due and payable in respect of a Judgement Order dated 16 August 2016 obtained by Telekom in the Kuala Lumpur Magistrates Court vide Suit No: WA-A72NCVC-3083-07/2016 together with the interest of 5% per annum on RM47,987.90 calculated from 20 July 2016 accrued till full settlement; and
- (ii) costs of RM788.00.

In accordance with the Notice, if RASB fails and/or refuse to pay the aforesaid amount due and owing to Telekom within twenty-one (21) days from the date of service of the Notice, RASB shall be deemed to be unable to pay its debts within the meaning of Section 218 of the Act and winding-up proceedings shall be instituted against RASB.

- (h) On 3 November 2016, RASB was served a Writ of Summons and Statement of Claim dated 28 October 2016 by solicitors acting on behalf of Tenaga Nasional Berhad (“TNB”) demanding for:-
 - (i) the sum of RM8,307.06 as compensation to TNB resulting from RASB’s negligence;
 - (ii) interest at the rate of 5% per annum on the amount of RM8,307.06 stated above and calculated from 9 December 2013 until the date of full settlement;
 - (iii) cost incurred for this Writ of Summons and Statement of Claim; and
 - (iv) any other relief deemed suitable and beneficial as the Court may deem fit.

B11. Material litigations (cont'd)

And any fixed amount for cost and, in the event TNB managed to obtain ruling for substituted service, an additional amount to be determined.

On 8 December 2016, RASB had received a letter dated 6 December 2016 from Messrs. Idris & Associates, acting on behalf of TNB demanding for a payment of RM8,307.06 being the sum due and payable in respect of a Judgement Order dated 1 December 2016 obtained by TNB in the Georgetown Sessions Court Civil Suit No: PA-A72NCvC-299-10/2016 together with the interest of 5% per annum on RM8,307.06 calculated from 9 December 2013 accrued till full settlement and lawyer costs of RM409.00.

In accordance with the letter, if RASB fails and/or refuse to pay the aforesaid amount due and owing to TNB within seven (7) days from the date of the letter, proceedings will be conducted against RASB without further notice.

- (i) RASB ("Plaintiff") had on 9 December 2016 filed in the Shah Alam High Court Suit No. BA-NCVC-678-12/2016 against JMT Kelantan Baru Sdn Bhd ("JMTKBSD") and JMT RE Maintenance Sdn Bhd ("JMTRMSB") ("the Defendants").

The claim pursuant to the Writ of Summons and Statement of Claim are as below:

- (i) the sum of RM1,027,715.48;
- (ii) interest thereon at the rate of 5% per annum;
- (iii) cost; and
- (iv) Any other relief deemed suitable and beneficial as the Court may deem fit.

The filing of the Writ of Summons and Statement of Claim was a result of the defendants failing to repay the advance payments made by the Company pursuant to a Letter of Award dated 15 March 2013 for the project entitled "Joint Engineering, Procurement, Construction and Commissioning (EPCC) Contractor For "Run On Water" 2x10MWp Mini Hydro Project Under REPPA at Kg Temangan (10MWp) @ Sg. Kelantan, In The District of Machang, Kelantan, Malaysia" ("Project"). The contract sum of the Project is RM93,180,566.00.

This matter has been fixed for case management at the Shah Alam High Court on Wednesday, 11 January 2017, at 9:00 a.m.

The Writ of Summons and Statement of Claim had been served on the Defendants, solicitors, Messrs. Muru & Partners on 21 December 2016.

B11. Material litigations (cont'd)

On 17 January 2017, RASB had filed a Notice of Application in the Shah Alam High Court Suit No. 22C-41-12/2016 against the Defendants. The hearing of the application had been set on 13 February 2017, Monday, 9 a.m. on the part of the Plaintiff pursuant to Order 14 of the Rules of Court 2012, for the following orders:-

- (i) that the Plaintiff be given leave to enter Judgment against the Defendant in the sum of RM1,027,715.48, together with interest at the rate of 5% per annum;
- (ii) costs of the Application and that of the action be paid by the Defendant; and
- (iii) any other relief deemed suitable and beneficial as the Court may deem fit.

Mohd Fahami bin Mohamed (NRIC No.: 860605-46-5389), affirmed the Affidavit in support of the Plaintiff's application on the orders with the following grounds in support of the application:-

- (i) the Defendants and each of them do not have a defense against the Plaintiff's claim;
- (ii) there are no issues to be tried by the Court; and
- (iii) therefore, the Plaintiff is entitled to summary judgment under Order 14 of the Rules of Court 2012.

The Notice of Application had been served on the Defendants' solicitors, Messrs. Muru & Partners on 17 January 2017. The Company is represented by Messrs. Syed Ibrahim & Co.

On 13 February 2017, Messrs. Syed Ibrahim & Co had attended Court for the case management, before the learned Senior Assistant Registrar.

The Court has given parties the following instructions:

- (i) in respect of the Plaintiff's application for summary judgment, the Defendants are required to file and serve their affidavits in reply by 20 February 2017, and for the Plaintiff to file and serve its affidavit in reply by 28 February 2017; and
- (ii) in respect of the 1st Defendant's application for a stay of proceedings pending arbitration, the Plaintiff is required to file and serve its affidavit in reply by 20 February 2017, and for the 1st Defendant to file and serve its affidavit in reply by 28 February 2017.

Messrs. Syed Ibrahim & Co had attended Court on 17 May 2017 for the hearing of the Plaintiff's summary judgment application before the learned High Court Judge.

B11. Material litigations (cont'd)

The learned Judge has dismissed the said application with costs of RM2,500 to be paid to each of the Defendants. The learned Judge held that the existence of two (2) distinct termination letters that were produced by the Plaintiff and JMTKBSB respectively is a dispute as to the facts, thus raising an issue that requires trial in order to determine the Plaintiff's claim.

The matter has been fixed for trial on 25 October 2017 and 26 October 2017.

- (j) The Company had on 14 April filed a Writ of Summons and Statement of Claim in the High Court of Malaya at Kuala Lumpur against Dato' Tey Por Yee, Mr. Lim Chye Guan, Ms. Lim Wei Mun, Nexgram Holdings Berhad, Info Genetic Sdn. Bhd. ("Info Genetic"), Encik Mohd Ablynisyam Bin Abdullah and Cik Dayangku Shafawati Binti Pengiran Bahrin ("the Defendants") for the claims below.

The claim is for a sum of RM4.2 million which was caused to be paid out by Mr. Lim Chye Guan and Ms. Lim Wei Mun, the Company's bank authorised signatories, on the instructions of Dato' Tey Por Yee, to RASB on 1 April 2014. The total sum of RM4.2 million was subsequently caused to be paid out by Mr. Lim Chye Guan, the sole bank authorised signatory of RASB, to Info Genetic when it was known to both Mr. Lim Chye Guan and Ms. Lim Wei Mun that there was no reason for RASB to pay any moneys to Info Genetic and Info Genetic has no reason to receive any moneys from RASB. The Company and RASB are also claiming interest and costs against the Defendants.

This matter has been fixed for case management on 27 April 2017.

At the case management held on 27 April 2017, the learned Registrar was informed that the R&A and RASB ("the Plaintiffs") have not been able to serve all the Defendants in the matter and will proceed for substituted service against all the Defendants accordingly. The learned Registrar then fixed the matter for a further case management on 16 May 2017 at 9:00 a.m.

Prior to the case management on 16 May 2017, the following Defendants had entered into appearance:-

- (i) Datuk Tey Por Yee had entered appearance vide his solicitors, namely, Messrs. Yeoh & Joane on 3 May 2017; and
- (ii) Info Genetic Sdn. Bhd., Encik Mohd Ablynisyam Bin Abdullah and Cik Dayangku Shafawati Binti Pengiran Bahrin had entered their appearance on 15 May 2017 vide their solicitors, namely, Messrs. Malis & Khoo.

B11. Material litigations (cont'd)

As at the case management on 16 May 2017, the Plaintiffs were further informed by Messrs. Fahmi & Co, the solicitors acting for Mr. Lim Chye Guan and Ms. Lim Wei Mun that Mr. Lim Chye Guan and Ms. Lim Wei Mun have yet to file the memorandum of appearance.

In this respect, at the case management on 16 May 2017, the learned Registrar was informed that all Defendants, with the exception of Nexgram Holdings Berhad (“Nexgram”), had filed their appearance. The learned Registrar thereafter gave the following directions:-

- (i) All Defendants are to file their Defence on or before 9 June 2017;
- (ii) Plaintiffs are to file the Reply to Defence for all Defendants on or before 23 June 2017; and
- (iii) The next case management has been fixed before Y.A Datuk Lau Bee Lan on 28 June 2017 at 9:00 a.m.

The learned Registrar noted that given that Nexgram has yet to enter its appearance, the Plaintiffs will proceed with substituted service against Nexgram.

The matter is currently fixed for trial on 11 December 2017 to 15 December 2017.

- (k) On 12 May 2017, RASB was received a Writ of Summons and Statement of Claim dated 21 April 2017 by solicitors acting on behalf of AWT Fusion Sdn Bhd (“AWT”) demanding for:-
 - (i) The sum of RM5,000.00;
 - (ii) Interest at the rate of 5% per annum on the amount of RM5,000.00 stated above and calculated from the date of filing of the Writ of Summons until the date of full settlement;
 - (iii) Cost; and
 - (iv) Any other relief deemed suitable and beneficial as the Court may deem fit.

The filing of the Writ of Summons and Statement of Claim was a result of RASB failing to settle the said outstanding balances. This matter has been fixed for case management at the Shah Alam Magistrate Court on Monday, 29 May 2017, at 9:00 a.m.

- (l) On 17 July 2017, RASB was received a Writ of Summons and Statement of Claim were dated 5 July 2017 and 4 July 2017 respectively by solicitors acting on behalf of Telekom demanding for:-
 - (i) The outstanding sum of RM43,217.55 as at 5 June 2017;
 - (ii) Interest at the rate of 5% per annum on the amount of RM43,217.55 stated above and calculated from the date of judgement until the date of full settlement;
 - (iii) Cost; and
 - (iv) Any other relief deemed suitable and beneficial as the Court may deem fit.

B11. Material litigations (cont'd)

- (m) On 17 July 2017, RASB was received a Writ of Summons and Statement of Claim were dated 4 July 2017 by solicitors acting on behalf of Telekom demanding for:-
- (i) The outstanding sum of RM59,920.85 as at 4 January 2012;
 - (ii) Interest at the rate of 5% per annum on the amount of RM59,920.85 stated above and calculated from the date of filing of the Writ of Summons until the date of full settlement;
 - (iii) Cost; and
 - (iv) Any other relief deemed suitable and beneficial as the Court may deem fit.

The filing of the Writ of Summons and Statement of Claim was a result of RASB failing to settle the said outstanding losses. This matter has been fixed for case management at the Magistrate Court Kuala Lumpur, Court Complex Kuala Lumpur, Jalan Duta, 50592 Kuala Lumpur on Monday, 7 August 2017, at 9:00 a.m. at Magistrate Court Kuala Lumpur.

On 15 August 2016, the Company announced that RASB has been served a sealed order dated 3 August 2017 from the solicitors acting for Telekom with an order that RASB shall pay the following to Telekom:-

- (i) The outstanding sum of RM59,920.85 as at 4 January 2012;
- (ii) Interest at the rate of 5% per annum on the amount of RM59,920.85 stated above and calculated from the date of order the date of full settlement; and
- (iii) Cost of RM786.

B12. Dividends

No interim dividends have been declared during the current financial quarter under review.

B13. Loss per share

- (a) Basic loss per ordinary share

Basic loss per share is calculated by dividing loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue for the quarter and financial period respectively.

B13. Loss per share (Cont'd)

	Individual Quarter		Cumulative Quarter	
	Current Quarter	Preceding Year Corresponding Quarter	Current Year-To-Date	Preceding Year Corresponding Period
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
Profit/(loss) attributable to the equity holders of the Company (RM'000)	1,074	(583)	765	(91,177)
Weighted average number of shares in issue ('000)	966,862	966,862	966,862	966,862
Loss per share (sen)	-	-	-	(0.09)

(b) Diluted loss per ordinary share

Not applicable