



**APPASIA BERHAD**

Company No. 643683-U  
(Incorporated in Malaysia)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(The figures have not been audited)

	<b>As At 31 Mar 2017 (Unaudited) RM'000</b>	<b>As At 31 Dec 2016 (Audited) RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	996	1,150
Investment properties	3,676	3,699
Product development expenditure	400	400
Investment in associate company	51	51
	<b>5,123</b>	<b>5,300</b>
<b>Current Assets</b>		
Inventories	204	287
Trade receivables	618	153
Other receivables	1,101	694
Tax recoverable	125	109
Fixed deposits placed with licensed bank	-	17
Cash and bank balances	3,943	5,176
	<b>5,991</b>	<b>6,436</b>
<b>TOTAL ASSETS</b>	<b>11,114</b>	<b>11,736</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	28,797	28,372
Share premium	4,411	4,411
Warrants reserve	20,489	20,982
Other reserve	(20,489)	(20,982)
Share issuance scheme option reserve	3,046	1,741
Foreign currency translation reserve	(9)	(9)
Accumulated losses	(26,369)	(24,472)
<b>Total Equity</b>	<b>9,876</b>	<b>10,043</b>
<b>LIABILITIES</b>		
<b>Non-Current Liability</b>		
Finance lease payables	141	141
<b>Current Liabilities</b>		
Trade payables	57	42
Other payables	929	1,392
Amount due to associate company	24	3
Finance lease payables	87	115
	<b>1,097</b>	<b>1,552</b>
<b>Total Liabilities</b>	<b>1,238</b>	<b>1,693</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>11,114</b>	<b>11,736</b>
Net assets per ordinary share attributable to owners of the parent (sen)	3.47	3.57

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached in this interim financial statements.

**APPASIA BERHAD**

Company No. 643683-U  
(Incorporated in Malaysia)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter Ended	Quarter Ended	Period ended	Period ended
		31 Mar 2017	31 Mar 2016	31 Mar 2017	31 Mar 2016
		RM'000	RM'000	RM'000	RM'000
Revenue	A8	1,497	1,270	1,497	1,270
Cost of sales		(229)	(144)	(229)	(144)
Gross profit		1,268	1,126	1,268	1,126
Other income		41	87	41	87
Administrative expenses		(1,898)	(2,540)	(1,898)	(2,540)
Finance costs		(3)	(1)	(3)	(1)
<b>Loss from operations</b>		(592)	(1,328)	(592)	(1,328)
Share-based payment		(1,447)	(1,518)	(1,447)	(1,518)
<b>Loss before taxation</b>		(2,039)	(2,846)	(2,039)	(2,846)
Taxation		-	-	-	-
<b>Net loss for the period</b>		(2,039)	(2,846)	(2,039)	(2,846)
<b>Other comprehensive loss</b>					
Exchange translation differences for foreign operation		-	8	-	8
<b>Total comprehensive loss for the period</b>		<b>(2,039)</b>	<b>(2,838)</b>	<b>(2,039)</b>	<b>(2,838)</b>
Loss for the period attributable to:					
Owners of the parent		(2,039)	(2,846)	(2,039)	(2,846)
Total comprehensive loss attributable to:					
Owners of the parent		(2,039)	(2,838)	(2,039)	(2,838)
Loss Per Share (sen)					
Basic	B9	(0.72)	(1.01)	(0.72)	(1.01)
Diluted	B9	(0.56)	(1.01)	(0.56)	(1.01)

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached in this interim financial statements.



**APPASIA BERHAD**

Company No. 643683-U  
(Incorporated in Malaysia)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

(The figures have not been audited)

	Attributable to Owners of the Parent						Distributable	Total Equity
	Non-Distributable				Foreign Currency			
	Share Capital	<sup>(1)</sup> Share Premium	Warrants Reserve	Other Reserve	Share Issuance Scheme Option Reserve	Translation Reserve	Accumulated Losses	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Three (3) months ended 31 March 2017</b>								
As at 1 January 2017	28,372	4,411	20,982	(20,982)	1,741	(9)	(24,472)	10,043
Shares options granted under SIS	-	-	-	-	1,447	-	-	1,447
Shares options lapsed	-	-	-	-	(142)	-	142	-
Conversion of warrants	425	-	(493)	493	-	-	-	425
Total comprehensive loss for the period	-	-	-	-	-	-	(2,039)	(2,039)
As at 31 March 2017	28,797	4,411	20,489	(20,489)	3,046	(9)	(26,369)	9,876
<b>Three (3) months ended 31 March 2016</b>								
As at 1 January 2016	28,112	4,013	20,982	(20,982)	1,286	(3)	(18,231)	15,177
Shares option granted under SIS	-	-	-	-	1,518	-	-	1,518
Total comprehensive loss for the period	-	-	-	-	-	8	(2,846)	(2,838)
As at 31 March 2016	28,112	4,013	20,982	(20,982)	2,804	5	(21,077)	13,857

<sup>(1)</sup> Effective from 31 January 2017, the new Companies Act 2016 ("the Act") abolished the concept of authorised share capital and par value of share capital. Consequently, the credit balance of the share premium becomes part of the Company's share capital pursuant to the transitional provision set out in Section 618(2) of the Act. Notwithstanding this provision, the Company may within 24 months from the commencement of the Act, use this amount for purposes as set out in Section 618(3) of the Act. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached in this interim financial statements.

**APPASIA BERHAD**

Company No. 643683-U  
(Incorporated in Malaysia)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017**
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

(The figures have not been audited)

	<b>Period Ended 31 Mar 2017</b>	<b>Period Ended 31 Mar 2016</b>
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(2,039)	(2,846)
Adjustments for:-		
Depreciation of investment properties	23	20
Depreciation of property, plant and equipment	165	232
Share-based payment	1,447	1,518
Inventories written off	37	-
Interest expense	3	1
Interest income	(1)	(44)
Unrealised loss on foreign exchange	5	92
Operating loss before working capital changes	(360)	(1,027)
Changes in working capital:		
Inventories	46	(7)
Trade receivables	(465)	(1,273)
Other receivables	(407)	940
Trade payables	15	(430)
Other payables	(463)	736
Amount due to associate company	21	-
	(1,253)	(34)
Cash used in operations	(1,613)	(1,061)
Interest paid	(3)	(1)
Interest received	1	44
Tax (paid)/refund	(16)	22
Net cash used in operating activities	(1,631)	(996)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(11)	(383)
Purchase of investment properties	-	(2,500)
Proceeds from disposal of property, plant and equipment	-	3
Net cash used in investing activities	(11)	(2,880)
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>		
Proceeds from conversion of warrants	425	-
Decrease in fixed deposits placed	17	134
Repayment of finance lease payables	(28)	(8)
Net cash generated from financing activities	414	126
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(1,228)	(3,750)
<b>EFFECT OF EXCHANGE TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS</b>	(5)	(84)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	5,176	11,476
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	3,943	7,642
Cash and cash equivalents comprises:		
Fixed deposits placed with licensed bank	-	106
Cash and bank balances	3,943	7,642
	3,943	7,748
Less: Fixed deposits placed	-	(106)
	3,943	7,642

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached in this interim financial statements.

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017****A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING****A1. BASIS OF PREPARATION**

The interim financial statements is unaudited and has been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standard (“MFRS”) 134 “Interim Financial Reporting” and Paragraph 9.22 of Bursa Malaysia Securities Berhad ACE Market Listing Requirements (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2016 and the accompanying explanatory notes. The explanatory notes attached to the interim financial statements provides an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2016.

The significant accounting policies, methods of computations and interpretation adopted by AppAsia Berhad (“AppAsia” or “Company”) and its subsidiary companies (“Group”) in the interim financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2016.

The adoption of the following MFRSs and amendments to MFRSs that come into effect on 1 January 2017 did not have any significant impact on the unaudited condensed consolidated financial statements upon their initial application.

- Amendments to MFRS 107                      Disclosure Initiative
- Amendments to MFRS 112                    Recognition of Deferred Tax Assets for Unrealised Losses
- Annual Improvements to MFRSs        2014-2016 Cycle

**MFRSs, amendments to MFRSs and IC Interpretation that are applicable to the Group but not yet effective**

The Malaysian Accounting Standards Board had issued the following new standards, amendments to MFRSs and IC Interpretation. All of which are effective for the financial period beginning on or after 1 January 2018 unless otherwise mentioned. The Group did not early adopt these new standards, amendments to MFRSs and IC Interpretation.

- MFRS 9    Financial Instruments
- MFRS 15 and amendments to MFRS 15      Revenue from Contracts with Customers
- Amendments to MFRS 2                        Classification and Measurement of Share-based Payment Transactions
- Amendments to MFRS 140                      Transfer of Investment Properties
- Amendments to MFRS 4                        Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
- IC Interpretation 22                              Foreign Currency Transactions and Advance Consideration
- MFRS 16    Leases (effective from 1 January 2019)
- Amendments to MFRS 10 and MFRS 128    Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (deferred until further notice)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017****A2. AUDIT REPORT ON THE PRECEDING ANNUAL FINANCIAL STATEMENTS**

The audit report on the preceding annual financial statements of the Group for the financial year ended 31 December 2016 was not subject to any qualification.

**A3. SEASONALLY OR CYCLICAL FACTORS**

The operation of the Group were not significantly affected by any major seasonal or cyclical factors during the current financial quarter under review and financial period-to-date.

**A4. UNUSUAL ITEMS**

During the current financial quarter under review and the current financial period-to-date, there were no significant unusual items or events that arose, which affecting assets, liabilities, equity, net income or cash flows.

**A5. MATERIAL CHANGE IN ESTIMATES**

There were no material changes in estimates that have had material effect on the current financial quarter under review and financial period-to-date.

**A6. DEBT AND EQUITY SECURITIES**

There were no other issuance, cancellations, or repayments of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares, repurchase and resale of treasury shares for the current financial quarter under review except for the total issuance of 3,266,000 new ordinary shares of RM 0.13 each, pursuant to the conversion of warrants.

**A7. DIVIDEND PAID**

No dividend was declared, approved or paid during the current financial quarter under review and financial period-to-date.

**A8. SEGMENTAL INFORMATION**

In line with the Group's strategy to penetrate into different IT consumers market, the management has currently segregate the Group into 2 core business units based on different products, services and market segments as follows:

ICT Security Business	Provides the solutions, products and services in the information technology security sector. It includes the managed security services, security-enhanced enterprise solutions, managed infrastructure services, IT hardware and software trading, professional consultancy, system development, security penetration testing and specialized training services.
E-Commerce Business	Focus in the research, developments and operations of online marketplace, e-commerce websites, digital media, mobile applications and portal.
Management Services	Investment holding and provision of management services

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017**
**A8. SEGMENTAL INFORMATION (CONT'D)**

The Group management strategically dedicates the operation of each business units to the respective subsidiaries and monitors the operation separately for effective resource allocation and performance assessment. Each business unit's performance is evaluated based on the long term business value and profitability.

**Results for three (3) months ended 31 March 2017**

	ICT security business	E-commerce business	Management services	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>					
External revenues	886	592	19	-	1,497
Inter segment	105	1	-	(106)	-
<b>Total revenue</b>	<b>991</b>	<b>593</b>	<b>19</b>	<b>(106)</b>	<b>1,497</b>
<b>Segment Results</b>					
Interest income	-	1	-	-	1
Finance costs	-	-	(3)	-	(3)
Depreciation	(17)	(38)	(133)	-	(188)
Other non-cash items	-	(42)	(1,447)	-	(1,489)
Segment loss before tax	469	(298)	(2,210)	-	(2,039)

**Results for three (3) months ended 31 March 2016**

	ICT security business	E-commerce business	Management services	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>					
External revenues	634	636	-	-	1,270
Inter segment	4	-	690	(694)	-
<b>Total revenue</b>	<b>638</b>	<b>636</b>	<b>690</b>	<b>(694)</b>	<b>1,270</b>
<b>Segment Results</b>					
Interest income	1	1	42	-	44
Finance costs	-	-	(1)	-	(1)
Depreciation	(28)	(72)	(152)	-	(252)
Other non-cash items	(6)	(11)	(1,593)	-	(1,610)
Segment loss before tax	101	(963)	(1,984)	-	(2,846)

**A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES**

The valuations of property, plant and equipment and investment properties have been brought forward without any amendments from the previous audited financial statements.



## **APPASIA BERHAD**

Company No. 643683-U  
(Incorporated in Malaysia)

### **QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017**

#### **A10. MATERIAL EVENTS SUBSEQUENT TO THE CURRENT FINANCIAL QUARTER**

On 13 April 2017, Extol Corporation Sdn Bhd (“ECSB”) a wholly-owned subsidiary of the Company has entered into a Sale and Purchase Agreement with CFN Tax Services Sdn Bhd (“CFN”) for the disposal of two (2) units of office lots located at Subang Business Centre for total consideration of RM 1,200,000 only.

Save for the above, there was no material event subsequent to the end of the current financial quarter under review and financial period-to-date that has not been reflected in the interim financial statements.

#### **A11. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the current financial quarter under review.

#### **A12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Save for the material events disclosed in Notes A10 in this quarterly report, there was no contingent liabilities and contingent assets at the end of the current financial quarter under review and financial period-to-date that has not been reflected in the interim financial statements.

#### **A13. CAPITAL COMMITMENTS**

There was no capital commitments during the period under review.

#### **A14. SIGNIFICANT RELATED PARTY TRANSACTIONS**

The Directors of the Company are of the opinion that there are no related party transactions which would have a material impact on the financial position and the business of the Group during the current financial quarter under review and financial period-to-date.



**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017****B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS FOR THE ACE MARKET****B1. REVIEW OF PERFORMANCE FOR THE CURRENT QUARTER AND FINANCIAL PERIOD-TO-DATE ENDED 31 MARCH 2017**

The Group recorded revenue in the current financial quarter ended 31 March 2017 of RM 1.50 million, representing an increase of approximately 17.87% as compared to the revenue of corresponding financial quarter of the preceding period ended 31 March 2016 of RM 1.27 million. The growth was primarily driven by the fast growing online traffic and mobile users for the digital contents division.

As a results, loss before tax for operations has improved to RM 0.59 million from RM 1.33 million for the corresponding financial quarter of the preceding period ended 31 March 2016. This was also aided by improved gross profit due to cost improvement exercise undertaken in the prior year. The Group expect contribution from digital media to continue to grow coupled with the full launch of the appasia.my marketplace in the second quarter 2017.

**B2. COMPARISON OF CURRENT QUARTER WITH THE IMMEDIATE PRECEDING QUARTER**

	<b>Current quarter 31 March 2017 RM'000</b>	<b>Preceding quarter 31 December 2016 RM'000</b>
Revenue	1,497	1,050
Gross profits	1,268	637
Gross margin	84.70%	60.67%
Net loss for the period	(2,039)	(1,748)

The Group recorded revenue in the current financial quarter ended 31 March 2017 of RM 1.50 million, representing an increase of 42.57% as compared to the revenue of previous financial quarter ended 31 December 2016 of RM 1.05 million.

The Group recorded a loss before taxation of RM 2.04 million for the current financial quarter under review as compared to a loss before taxation of RM1.75million recorded in the previous financial quarter ended 31 December 2016.

**B3. PROSPECTS FOR THE CURRENT FINANCIAL YEAR**

The Board is of the view that, barring any unforeseen circumstances, the overall business is expected to remain challenging given the very competitive market. However, our Group will strive to improve the Group's performance by expanding the e-commerce and digital platform businesses. In addition, the Board will continue to look for mergers and acquisitions opportunities that will enhance and broaden the Group's earnings base.

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017****B4. VARIANCE ON PROFIT FORECAST AND PROFIT GUARANTEE**

Not applicable as no profit forecast or profit guarantee was provided.

**B5. TAXATION**

Income tax expenses comprises the followings:

	Individual Quarter Ended		Cumulative Quarter Ended	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
In respect of the current period	RM'000	RM'000	RM'000	RM'000
Taxation				
- Current year	-	-	-	-
Deferred taxation	-	-	-	-
Total income tax expense	-	-	-	-

**B6. STATUS OF CORPORATE PROPOSALS**

On 23 November 2016, the Company had announced to propose listing the Company together with three wholly-owned subsidiary companies, namely AppAsia Studio Sdn Bhd ("ASSB"), AppAsia Mall Sdn Bhd ("AMSB") and AppAsia International Sdn Bhd ("ALSB") (collectively referred to as "Subsidiaries") on the Australian Securities Exchange ("ASX") via an investment holding company to be incorporated in Australia.

On 13 March 2017, the Company had entered into a Share Purchase Agreement ("SPA 1") with AppAsia Limited ("AL") to dispose of the Subsidiaries to AL for a sale consideration of AUD 204,478 (equivalent to RM 695,225), AUD 225,388 (equivalent to RM 766,319) and AUD 113,749 (equivalent to RM 386,747) respectively, to be satisfied via the issuance of new ordinary shares in AL to the Company ("Proposed Disposal").

On the same date, the ALSB entered into a share purchase agreement ("SPA 2") with AL to dispose of its wholly-owned subsidiary company, AppAsia International Pty Ltd ("AIPL") to AL for a sale consideration of AUD 115,331 (equivalent to RM 392,125) to be satisfied via the issuance of new ordinary shares in AL to the Company ("Proposed AIPL Disposal").

After the Proposals, the Subsidiaries and AIPL will become wholly-owned subsidiary companies of AL while the Company will hold between 50% and 55% effective equity interest in the Subsidiaries, through AL.

The Company is currently in the midst of procuring all the other approvals required for the proposed listing on the ASX from the relevant parties and/or regulatory authorities.

Save for the above, there was no other corporate proposal at the end of the current financial quarter under review and financial period-to-date that has not been reflected in the interim financial statements.

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017**
**B7. GROUP BORROWINGS AND DEBT SECURITIES**

The Group's borrowings denominated in Ringgit Malaysia as at the end of the current financial quarter under review are as follows:

	<b>Current Liabilities</b>	<b>Non-Current Liabilities</b>	<b>Total</b>
	RM'000	RM'000	RM'000
<b>Secured</b>			
Finance lease payables	87	141	228

**B8. MATERIAL LITIGATION**

Pursuant to the Kuala Lumpur High Court Bankruptcy Number: WA-29NCC-4636-09/2016, the Company had received a letter on 16 May 2017 from the Company's Solicitors informing that the Court had allowed the Judgment Debtor (Mohd Badaruddin Bin Masodi) until 13 June 2017 which is also fixed for the hearing of the Creditor's Petition (Extol Ventures Sdn Bhd) for the Judgment Debtor to settle the judgement sum, failure which, adjudicating and receiving orders will be granted against the Judgment.

Pursuant to the Industrial Court Case Number: 15/04-388/2014, Extol Corporation Sdn Bhd ("ECSB"), a wholly-owned subsidiary company, had received a letter on 8 March 2017 from the Company's Solicitors together with a copy of the Industrial Court Award notifying that the Industrial Court had dismissed the claims made by Yasmin Binti Haron for wrongful and/or unfair dismissal against ECSB.

Save for the above and as disclosed in Note A10, there was no material event to the end of the current financial quarter under review.

**B9. LOSS PER SHARE**

## (a) Basic loss per share

The basic loss per share for the current financial quarter and financial period to-date are computed as follows:

	<b>Current quarter ended</b>		<b>Cumulative quarter ended</b>	
	<b>31 March 2017</b>	<b>31 March 2016</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Loss attributed to owners of the parent for the period (RM'000)	(2,039)	(2,846)	(2,039)	(2,846)
Weighted average number of issued ordinary shares ('000)	284,400	281,123	284,400	281,123
Basic loss per share (sen)	(0.72)	(1.01)	(0.72)	(1.01)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017**
**B9. LOSS PER SHARE (CONT'D)**

(b) Diluted loss per share

The diluted loss per share for current financial quarter and financial period to-date are computed as follows:

	Current quarter ended		Cumulative quarter ended	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Loss attributed to owners of the parent for the period (RM'000)	(2,039)	(2,846)	(2,039)	(2,846)
Weighted average number of issued ordinary shares ('000)	365,783	281,123	365,783	281,123
Diluted loss per share (sen)	(0.56)	(1.01)	(0.56)	(1.01)

**B10. REALISED AND UNREALISED LOSSES DISCLOSURE**

Total accumulated losses may be analysed as follows:

	As at 31 March 2017	As at 31 March 2016
	RM'000	RM'000
Total accumulated losses of the Company and its subsidiary companies:		
Realised	(22,285)	(17,007)
Unrealised	(5)	-
	(22,290)	(17,007)
Less: Consolidation adjustments	(4,079)	(4,070)
Total accumulated losses as per condensed consolidated statement of financial position	(26,369)	(21,077)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017****B11. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS**

Total comprehensive loss for the period was derived after charging / (crediting) the following items:

	Current quarter ended		Cumulative quarter ended	
	31 March 2017 RM'000	31 March 2016 RM'000	31 March 2017 RM'000	31 March 2016 RM'000
Depreciation	188	252	188	252
Finance costs	3	1	3	1
Inventories written off	37	-	37	-
Unrealised loss on foreign exchange	5	92	5	92
Interest income	(1)	(44)	(1)	(44)
Rental income	(38)	(37)	(38)	(37)

**B12. AUTHORISATION FOR ISSUE**

The interim financial statements were authorized for issue on 30 May 2017 in accordance with resolution of the board of directors.