

Privasia Technology Berhad
Company No.825092 - U
(Incorporated In Malaysia)

Unaudited condensed consolidated
interim financial statements
for the period ended 30 June 2019

PRIVASIA TECHNOLOGY BHD (825092 - U)

(Incorporated In Malaysia)

Unaudited condensed consolidated interim financial statements**Unaudited condensed consolidated statements of financial position as at 30 June 2019**

	As at 30.06.2019	As at 31.12.2018
	RM	RM
Property, plant and equipment	26,774,458	29,529,447
Investment properties	2,207,447	2,220,745
Development cost	6,236,329	6,035,499
Goodwill	35,685,230	35,685,230
Deferred tax assets	617,800	617,800
Right of use assets	556,287	-
Total non-current assets	72,077,551	74,088,721
Inventories	1,088,779	1,320,902
Trade receivables	7,766,819	11,197,779
Unbilled revenue	5,680,083	4,876,140
Current tax assets	1,832,066	1,296,223
Prepaid project expenses	3,906,185	5,267,357
Other receivables, deposits and prepayments	2,145,522	5,017,573
Deposits, cash and bank balances	6,166,302	8,269,998
Total current assets	28,585,756	37,245,972
Total assets	100,663,307	111,334,693
Equity		
Share capital	55,820,002	55,820,002
Exchange reserve	(5,515)	(4,848)
Retained earnings	8,429,585	12,410,380
Equity attributable to owners of the Company	64,244,072	68,225,534
Non-controlling interests	(1,196,994)	(1,106,873)
Total equity	63,047,078	67,118,661
Liabilities		
Loans and borrowings	12,423,470	14,598,298
Leases liabilities	320,853	-
Deferred tax liabilities	1,119,000	1,829,000
Total non-current liabilities	13,863,323	16,427,298
Loans and borrowings	11,357,423	13,925,535
Leases liabilities	247,208	-
Trade payables	5,461,184	6,973,877
Other payables and accruals	6,687,091	6,889,322
Total current liabilities	23,752,906	27,788,734
Total liabilities	37,616,229	44,216,032
Total equity and liabilities	100,663,307	111,334,693
Net assets per share (RM)	0.12	0.12

The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2018 and the notes to the unaudited condensed consolidated interim financial statements.

PRIVASIA TECHNOLOGY BHD (825092 - U)

(Incorporated In Malaysia)

Unaudited condensed consolidated interim financial statements**Unaudited condensed consolidated statements of profit or loss and other comprehensive income for the period ended 30 June 2019**

	Three Months ended 30 June		Year-to-date 30 June	
	2019	2018	2019	2018
	RM	RM	RM	RM
Continuing operations				
Revenue	8,810,315	12,998,885	18,839,065	24,782,590
Cost of Sales	(5,412,702)	(8,297,144)	(12,300,036)	(15,284,582)
Gross profit	<u>3,397,613</u>	<u>4,701,741</u>	<u>6,539,029</u>	<u>9,498,008</u>
Other income	153,869	62,557	249,153	143,018
Operating expenses	(5,013,205)	(6,516,161)	(10,163,934)	(12,524,467)
Results from operating activities	<u>(1,461,723)</u>	<u>(1,751,863)</u>	<u>(3,375,752)</u>	<u>(2,883,441)</u>
Finance costs	(464,501)	(388,181)	(923,090)	(802,356)
Loss before tax	Note 24 <u>(1,926,224)</u>	<u>(2,140,044)</u>	<u>(4,298,842)</u>	<u>(3,685,797)</u>
Tax expense	Note 18 113,000	(275,000)	227,926	(470,000)
Net Loss for the period	<u>(1,813,224)</u>	<u>(2,415,044)</u>	<u>(4,070,916)</u>	<u>(4,155,797)</u>
Exchange differences on translation of foreign operation	(667)	-	(667)	-
Comprehensive loss for the period	Note 9 <u>(1,813,891)</u>	<u>(2,415,044)</u>	<u>(4,071,583)</u>	<u>(4,155,797)</u>
Loss attributable to:				
Owners of the company	(1,620,906)	(2,065,532)	(3,748,184)	(3,702,202)
Non-controlling interests	<u>(192,318)</u>	<u>(349,512)</u>	<u>(322,732)</u>	<u>(453,595)</u>
Loss for the period	<u>(1,813,224)</u>	<u>(2,415,044)</u>	<u>(4,070,916)</u>	<u>(4,155,797)</u>
Comprehensive loss for the period				
Owners of the company	(1,621,573)	(2,065,532)	(3,748,851)	(3,702,202)
Non-controlling interests	<u>(192,318)</u>	<u>(349,512)</u>	<u>(322,732)</u>	<u>(453,595)</u>
Comprehensive loss for the period	<u>(1,813,891)</u>	<u>(2,415,044)</u>	<u>(4,071,583)</u>	<u>(4,155,797)</u>
Basic loss per ordinary shares (sen)				
From continuing operations	Note 25 <u>(0.29)</u>	<u>(0.37)</u>	<u>(0.67)</u>	<u>(0.66)</u>
Diluted loss per ordinary shares (sen)				
From continuing operations	<u>(0.29)</u>	<u>(0.37)</u>	<u>(0.67)</u>	<u>(0.66)</u>

The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2018 and the notes to the unaudited condensed consolidated interim financial statements.

PRIVASIA TECHNOLOGY BHD (825092 - U)

(Incorporated In Malaysia)

Unaudited condensed consolidated interim financial statements**Unaudited condensed consolidated statement of changes in equity for the period ended 30 June 2019**

	<-----Attributable to owners of the Company----->					Total equity
	Non-distributable	<-----Distributable----->		Subtotal	Non-controlling Interests	
	Share capital	Exchange reserve	Retained earnings			
	RM	RM	RM	RM	RM	RM
At 1 January 2018	55,820,002	-	17,437,951	73,257,953	(61,427)	73,196,526
Effects of transition to MFRS	-	-	(1,067,435)	(1,067,435)	-	(1,067,435)
Restated balance at 1 January 2018	55,820,002	-	16,370,516	72,190,518	(61,427)	72,129,091
Total comprehensive loss for the period	-	-	(3,702,202)	(3,702,202)	(453,595)	(4,155,797)
Change in ownership interests in a subsidiary	-	-	-	-	20	20
Dividends paid on shares	-	-	-	-	(187,500)	(187,500)
At 30 June 2018	55,820,002	-	12,668,314	68,488,316	(702,502)	67,785,814
At 1 January 2019	55,820,002	(4,848)	12,410,380	68,225,534	(1,106,873)	67,118,661
Total comprehensive loss for the period	-	(667)	(3,748,184)	(3,748,851)	(322,732)	(4,071,583)
Change in ownership interests in a subsidiary	-	-	(232,611)	(232,611)	232,611	-
At 30 June 2019	55,820,002	(5,515)	8,429,585	64,244,072	(1,196,994)	63,047,078

The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2018 and the notes to the unaudited condensed consolidated interim financial statements.

PRIVASIA TECHNOLOGY BHD (825092 - U)

(Incorporated In Malaysia)

Unaudited condensed consolidated interim financial statements
Unaudited condensed consolidated statement of cash flows for the period ended 30 June 2019

	Six months ended 30.06.2019	Six months ended 30.06.2018
	RM	RM
Cash flow from operating activities		
Loss before tax	(4,298,842)	(3,685,797)
<i>Adjustments for :</i>		
Amortisation of intangible assets	326,016	347,332
Depreciation of investment properties	13,298	13,298
Depreciation of property, plant and equipment	3,799,747	5,160,155
Depreciation of right of use assets	79,309	-
Finance income	(79,954)	(26,416)
Finance costs - Loan & borrowings	914,583	802,356
Impairment of other investment	-	-
Finance costs - Right of use assets	8,507	-
Written off of inventories	216	-
Written down of inventories	48,409	-
Reversal of impairment loss on trade receivables	(1,081,105)	(18,020)
Impairment loss on trade receivables	528,748	-
Bad debts written off	537,136	-
Property, plant and equipment written off	71,697	1,070
Gain on disposal of property, plant and equipment	(49,830)	(9,201)
Unrealised (gain) / loss on foreign exchange	(31,676)	299,168
Operating profit before changes in working capital	786,259	2,883,945
Change in inventories	183,499	81,387
Change in work-in progress	-	-
Change in trade and other receivables	6,363,491	10,617,579
Change in trade and other payables	(1,165,819)	(2,903,568)
Net cash flows generated from operations	6,167,430	10,679,343
Tax refunded	184,828	247,701
Tax paid	(1,202,744)	(47,796)
Interest received	79,954	26,416
Net cash flows generated from / (used in) operating activities	5,229,468	10,905,664
Cash flows from investing activities		
Proceeds from disposal of property plant and equipment	643,273	10,693
Acquisition of intangible assets	(526,847)	(1,651,565)
Purchase of property, plant and equipment	(1,709,897)	(2,762,426)
Net cash used in investing activities	(1,593,471)	(4,403,298)
Cash flow from financing activities		
Interest paid	(923,090)	(802,356)
(Placement)/Withdrawal of deposits	(107,454)	644,267
Dividend paid to non-controlling interest	-	(187,500)
Repayment of lease liabilities - right of use assets	(54,298)	-
Repayment of loans & borrowings	(5,041,310)	(7,546,891)
Net cash flows used in financing activities	(6,126,152)	(7,892,480)
Net decrease in cash and cash equivalent	(2,490,155)	(1,390,114)
Cash and cash equivalents at 1 January	(140,108)	3,246,242
Exchange rate adjustment	(667)	-
Cash and cash equivalents at 30 June	(2,630,930)	1,856,128

Cash and cash equivalent

The reconciliation of cash and cash equivalent as presented in the condensed consolidated statement of cash flows to the deposits, cash and bank balances as presented in the condensed consolidated statement of financial position is as follows:

	Six months ended 30.06.2019	Six months ended 30.06.2018
Fixed deposits	4,637,201	4,375,939
Cash and bank balances	1,529,101	5,808,184
Deposits, cash and bank balances as presented in the condensed consolidated statement of financial position	6,166,302	10,184,123
Less: Pledged deposits with licensed banks	(4,378,142)	(4,128,788)
Bank overdrafts	(4,419,090)	(4,199,207)
Cash and cash equivalent as presented in the condensed consolidated statement of cash flows	(2,630,930)	1,856,128

The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2018 and the notes to the unaudited condensed consolidated interim financial statements.

Notes to the unaudited condensed consolidated interim financial statements**1 Basis of preparation**

The unaudited condensed consolidated interim financial statements have been prepared in compliance with the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market and with Malaysian Financial Reporting Standard (MFRS) 134 Interim Financial Reporting, which is in compliance with International Accounting Standard (IAS) 34, Interim Financial Reporting.

The Group had adopted the amendments/improvements to MFRS 16 - Leases which is effective from 1 January 2019.

The unaudited condensed consolidated interim financial statements have been reviewed by the auditors in accordance with ISRE 2410.

The unaudited condensed consolidated interim financial statements should be read in conjunction with the latest audited financial statements of Privasia Technology Berhad ("the Company") and its subsidiaries ("Group") for the financial year ended ("FYE") 31 December 2018 and are available upon request from the Company's registered office at No. 62C, Jalan SS21/62, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan.

The notes to these unaudited condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group for the financial period ended 30 June 2019.

2 Significant accounting policies

Unless otherwise stated, the accounting policies applied by the Group in these unaudited condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 31 December 2018.

3 Estimates

There were no material changes in estimates of amount reported in prior financial periods which may have a material effect in the financial period under review.

4 Seasonal and cyclical factors

The results of the Group were not materially affected by any significant seasonal and cyclical factors during the financial period under review.

5 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period under review.

6 Issuances, cancellations, repurchases, resale and repayment of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities in the Company during the financial period under review.

7 Dividend

There were no dividends declared/recommended and paid to the shareholders at the company for the financial period under review.

8 Loans and Borrowings

	Group	
	30 June 2019	31 December 2018
	RM	RM
Non-current		
Secured term loans from licensed banks	10,639,895	11,902,160
Unsecured finance lease liabilities	1,783,575	2,696,138
	12,423,470	14,598,298
Current	RM	RM
Secured term loans from licensed banks	3,760,301	4,401,012
Unsecured finance lease liabilities	1,777,156	1,795,378
Secured trade financing facilities	1,400,876	3,595,187
Secured bank overdrafts	4,419,090	4,133,958
	11,357,423	13,925,535
Total	23,780,893	28,523,833

9 Segmental reporting

The Group has four reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group's Chief Executive Officer (the chief operating decision maker) reviews internal management reports at least on a monthly basis. The following summary describes the operations in each of the Group's current reportable segments:

- Information Technology ("IT")
Comprise IT infrastructure outsourcing, consultancy and systems integration and procurement management.
- Information and Communications Technology ("ICT")
Provision of wireless broadband infrastructure, comprehensive mobile and wireless communications consultancy, and systems development for ICT and mobile solutions providers and enterprises.
- Satellite-based network services ("SAT")
The SAT segment provides a broad spectrum of satellite-based network solutions, such as managed network, high speed internet, value-added broadband applications and satellite IP Virtual Private Network for the commercial sector and general public.

9 Segmental reporting (continue)

- Investment Holding
Investment holding and provision of management services.

Performance is measured based on segment results, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer. Segment results are used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

The analysis of the Group's operations for the financial period ended 30 June 2019 is as follows:-

	Investment Holdings RM	IT RM	ICT RM	SAT RM	ELIMINATION RM	Total RM
Total segment revenue	1,862,674	13,445,249	4,100,308	1,300,406	(1,869,572)	18,839,065
Gross profit	1,862,674	6,889,955	253,553	(604,478)	(1,862,675)	6,539,029
Other income	-	2,016,312	1,143	8,136	(1,776,438)	249,153
Other operating expenses	(2,117,139)	(8,437,778)	(1,751,206)	(1,493,973)	3,636,162	(10,163,934)
Results from operating activities	(254,465)	468,489	(1,496,510)	(2,090,315)	(2,951)	(3,375,752)
Finance costs						(923,090)
Tax expense						227,926
Net loss for the period						(4,070,916)
Segment assets	97,222,730	79,832,981	19,963,370	5,775,607	(102,131,381)	100,663,307
Segment liabilities	33,176,023	34,103,101	25,728,392	7,604,730	(62,996,017)	37,616,229

10 Material events subsequent to the end of the interim period

There were no material subsequent events up to the date of this report that will affect the financial statements of the financial period under review.

11 Change in composition of the Group

There were no changes in the composition of the Group for the financial period under review except for the following:

- i) The Company has acquired the remaining 40% in Privaports Sdn Bhd (formerly known as Privagen Sdn Bhd) from Mettiz Capital Limited with a cash consideration of RM1.00 on 24 May 2019. Privaports Sdn Bhd is now a wholly owned subsidiary of the Company.
- ii) Privanet Sdn. Bhd., a wholly-owned subsidiary of the Company has on 28 June 2019 disposed 2 ordinary shares, representing 100% equity interest in Privasia IOT Sdn. Bhd. (formerly known as Scantel Sdn. Bhd.) for a total cash consideration of RM2.00 to Privarail Sdn. Bhd., an 80% owned subsidiary of the Company.

12 Changes in contingent liabilities or contingent assets

As at the date of this report, the Group does not have any contingent liabilities or contingent assets.

13 Capital commitments

There were no material commitments for the purchase of property, plant and equipment incurred or known to be incurred for in the current financial period under review.

14 Financial instruments

The Group's financial risk management objectives and policies and risk profile are consistent with those disclosed in the consolidated annual financial statements as at and for the year ended 31 December 2018.

Fair value information

The carrying amounts of cash and cash equivalents, trade and others receivables, trade and other payables and short term borrowings approximate fair values due to the relatively short term nature of these financial instruments.

Fair value hierarchy

The table below analyses financial instruments not carried at fair value for which fair value is disclosed and carrying amounts shown in the statement of financial position.

	Fair value of financial instruments not carried at fair value		
	Level 2 RM	Total Fair Value RM	Carrying Amount RM
As at 30 June 2019			
Financial liabilities			
Unsecured finance lease liabilities	(3,465,392)	(3,465,392)	(3,560,731)
As at 31 December 2018			
Financial liabilities			
Unsecured finance lease liabilities	(4,099,611)	(4,099,611)	(4,491,516)

During the 6 months ended 30 June 2019, there were no transfers between fair value hierarchy of financial assets and financial liabilities.

15 Review of performance

Second Quarter Review

'For the second quarter ended 30 June 2019 (2Q19), Privasia's revenue fell to RM8.8 million, from RM13.0 million in the quarter ended 30 June 2018 (2Q18).

The Information Technology (IT) division revenue declined to RM6.6 million from RM9.7 million in 2Q18 mainly due to renegotiation of contract terms with customers. The segment recorded a profit of RM0.8 million in 2Q19, compared to a profit of RM1.0 million in 2Q18 due to lower revenue.

The Information Communication Technology (ICT) segment revenue dropped from RM2.5 million to RM1.6 million in the reported quarter. However, the division recorded a lower loss of RM1.0 million in 2Q19 compared to RM1.5 million in 2Q18 as a result of cost cutting initiatives taken.

The satellite-based services (SAT) division reported revenue of RM0.6 million, a slight decrease from RM0.8 million in 2Q18. However, the Group's cost management efforts has reduced the segmental loss marginally to RM1.1 million, compared to RM1.2 million in 2Q18.

Privasia reported in 2Q19 a pre-tax loss and net loss of RM1.9 million and RM1.8 million respectively, versus a pre-tax loss and net loss of RM2.1 million and RM2.4 million in 2Q18.

Six Months Review

For the first half ended 30 June 2019 (1H19), Privasia's revenue reduced to RM18.8 million, compared to RM24.8 million in the first half ended 30 June 2018 (1H18).

Revenue for the IT division stood at RM13.4 million, declined from RM18.3 million in 1H18 due to renegotiation of contract terms with customers. Lower revenue and margin from different product mix resulted in a lower segmental profit of RM0.5 million in 1H19 compared to RM1.9 million in 1H18.

The ICT division revenue in 1H19 declined to RM4.1 million, from RM4.9 million in 1H18 due to diversion to other more profitable installation services. Hence, a lower segmental loss of RM1.5 million in 1H19, compared to loss of RM1.9 million in 1H18.

The SAT division revenue dropped to RM1.3 million in 1H19, compared to RM1.7 million in 1H18. However, with improved cost management, the segment loss narrowed to RM2.1 million, from RM2.6 million in 1H18.

The Group's loss before tax for 1H19 stood at RM4.3 million, compared to RM3.7 million in 1H18 in line with lower revenue and lower margin. However, net loss attributable to the owners of the Company remains at RM3.7 million compared to 1H18.

Comparison with preceding quarter

	Current Quarter 30 June 2019 RM	Immediate Preceding Quarter 31 March 2019 RM
Group Result		
Revenue	8,810,315	10,028,750
Gross profit	3,397,613	3,141,416
Loss before interest and tax	(1,461,723)	(1,914,029)
Loss before tax	(1,926,224)	(2,372,618)
Loss after tax	(1,813,224)	(2,257,692)
Loss attributable to owners of the company	<u>(1,620,906)</u>	<u>(2,127,278)</u>

Revenue for 2Q19 declined to RM8.8 million, from RM10.0 million in the quarter ended 31 March 2019 (1Q19), largely due to lower contributions from the IT, ICT and SAT segments. However, the Group recorded a lower pre-tax loss of RM1.9 million in the reported quarter due to higher profit margin and other income, compared to pre-tax loss of RM2.4 million in 1Q19. In line with this, Privasia posted a net loss of RM1.8 million in 2Q19, versus a net loss of RM2.3 million in the preceding quarter.

16 Future prospects

Privasia is mindful of the challenging market conditions in line with the economic uncertainty. Nevertheless, we believe in the value of our offerings to fulfil corporations' requirements for cost- and operations-efficiency. Thus, we will leverage on our expertise and continue to persevere to meet the demands in the industry.

The IT division will remain the main revenue generator going forward, as the awareness and adoption of our Intellectual Property (IP) products, namely ProcureHere and Port Management Solutions continue to rise. We will also continue to deliver our outsourcing projects to our clients. Going forward, we will be actively looking towards enhancing our IP portfolio, particularly with next generation technology. Revenue is expected to increase in the second half of the year 2019.

For our ICT segment, we will maintain our efforts in expanding our clientele base, mainly by leveraging on our track record to maintain our relationship and work closely with telecommunications companies and key principals. ICT will be focusing more on other services with higher profit margin such as inbuilding coverage (IBC) and outside plant (OSP).

We will continue to deliver on our order book, with the current unbilled balance standing at RM64 million. The Group will also be keeping a keen eye for any opportunities in the technology space to boost future performance.

17 Variance on Profit Forecast

Not applicable as the Group has not issued any profit forecast.

18 Income tax expenses

	Current quarter ended		Cumulative quarter ended	
	30 June		30 June	
	2019	2018	2019	2018
	RM	RM	RM	RM
Current tax				
- Current year	242,000	615,000	482,000	1,103,000
- Prior year	-	-	74	-
	<u>242,000</u>	<u>615,000</u>	<u>482,074</u>	<u>1,103,000</u>
Deferred tax				
Origination and reversal of temporary	(355,000)	(340,000)	(710,000)	(633,000)
Tax expenses from continuing operations	<u>(113,000)</u>	<u>275,000</u>	<u>(227,926)</u>	<u>470,000</u>

19 Unquoted investments and properties

There were no purchase or disposal of unquoted investments and properties for the current financial period under review.

20 Status of corporate proposals announced

There were no corporate proposals announced.

21 Off balance sheet financial instruments

As at the reporting date, the Group does not have any off balance sheet financial instruments.

22 Material litigation

There was no material litigation for the current financial period under review.

23 Auditor's report on preceding annual financial statements

The auditor's report on the latest audited annual financial statements for the year ended 31 December 2018 was not modified.

24 Profit for the period

	Current quarter ended		Cumulative quarter ended	
	30 June		30 June	
	2019	2018	2019	2018
	RM	RM	RM	RM
Profit/(Loss) for the period is arrived at after charging/ (crediting):				
Amortisation of intangible assets	163,194	167,953	326,016	347,332
Depreciation of investment properties	6,649	6,649	13,298	13,298
Depreciation of property, plant and equipment	1,840,357	2,530,160	3,799,747	5,160,155
Depreciation of right of use assets	60,595	-	79,309	-
Property, plant and equipment written off	34,825	-	71,697	1,070
Reversal of impairment loss on trade receivables	(113,934)	-	(1,081,105)	(18,020)
Impairment loss on trade receivables	285,591	-	528,748	-
Bad debts written off	-	-	537,136	-
Unrealised (gain) / loss on foreign exchange	11,144	154,316	(31,676)	299,168
Realised loss / (gain) on foreign exchange	10,428	(25,487)	39,439	(239,441)
(Gain) on disposal of property, plant and equipment	(48,292)	(8,049)	(49,830)	(9,201)
Written off of inventories	-	-	216	-
Written down of inventories	21,187	-	48,409	-
Finance costs - Loan & borrowings	458,358	388,181	914,583	802,356
Finance costs - Right of use assets	6,143	-	8,507	-
Finance income	<u>(37,716)</u>	<u>(11,147)</u>	<u>(79,954)</u>	<u>(26,416)</u>

The following items are not applicable for the current financial period under review:

- 1) (Gain)/loss on derivatives;
- 2) Write off of inventories.

25 (Loss)/Earnings per share

(a) Basic (loss)/earnings per share

Basic (loss)/earnings per share is calculated by dividing the earnings after taxation for the period by the weighted average number of ordinary shares in issue during the period.

	Current quarter ended		Cumulative quarter ended	
	30 June		30 June	
	2019	2018	2019	2018
	RM	RM	RM	RM
Profit/(Loss) attributable to equity holders (RM)	(1,620,906)	(2,065,532)	(3,748,184)	(3,702,202)
Weighted average number of ordinary shares in issue (units)	558,200,020	558,200,020	558,200,020	558,200,020
Basic loss per share (sen)	<u>(0.29)</u>	<u>(0.37)</u>	<u>(0.67)</u>	<u>(0.66)</u>

25 (Loss)/Earnings per share (continue)

(b) Diluted (loss)/earnings per share

There are no dilutive effects to the shares during the financial period under review.

26 Authorisation for issue

The unaudited condensed consolidated interim financial statement were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 30 August 2019.