

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE QUARTER ENDED 30 SEPTEMBER 2016**

	QUARTER ENDED		HALF-YEAR ENDED	
	30-Sep-16 RM'000 Reviewed	30-Sep-15 RM'000 Unaudited	30-Sep-16 RM'000 Audited	30-Sep-15 RM'000 Unaudited
Revenue	18,947	24,577	32,875	36,971
Cost of sales	(8,724)	(13,541)	(15,134)	(18,372)
Gross profit	10,223	11,036	17,741	18,599
Other operating income	545	600	1,393	1,621
Other operating expenses	(9,298)	(10,011)	(16,755)	(18,457)
Finance costs	(81)	(226)	(268)	(474)
Profit before tax	1,389	1,399	2,111	1,289
Tax expense	(260)	(611)	(365)	(1,207)
Profit for the financial period	1,129	788	1,746	82
Other comprehensive income/(loss), net of tax - Item that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations, net of tax	253	(490)	189	(1,382)
Other comprehensive income/(loss) for the financial period, net of tax	253	(490)	189	(1,382)
Total comprehensive income/(loss) for the financial period	1,382	298	1,935	(1,300)
Profit/(Loss) attributable to:-				
Owners of the parent	1,087	789	1,704	83
Non-controlling interest	42	(1)	42	(1)
Profit for the financial period	1,129	788	1,746	82
Total comprehensive income/(loss) attributable to:-				
Owners of the parent	1,340	299	1,893	(1,299)
Non-controlling interest	42	(1)	42	(1)
Total comprehensive income/(loss) for the financial period	1,382	298	1,935	(1,300)
EPS attributable to owners of the parent (sen) - Basic and diluted	0.08	0.06	0.13	0.01

(The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these condensed consolidated interim financial information and the audited financial statements for the financial year ended 31 March 2016.)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2016**

	As at 30.09.2016 RM'000 Audited	As at 31.03.2016 RM'000 Audited
ASSETS		
Non-Current Assets		
Property, plant and equipment	4,940	5,457
Goodwill	5,738	5,738
Deferred tax assets	3,829	3,653
Trade receivables	6,077	6,077
	20,584	20,925
Current Assets		
Inventories	3,231	3,694
Trade receivables	14,297	19,595
Other receivables, deposits and prepayments	11,974	10,531
Amounts owing by related companies	6,069	8,505
Current tax assets	3,849	3,698
Cash and bank balances	13,728	16,877
	53,148	62,900
TOTAL ASSETS	73,732	83,825
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	135,588	135,588
Reverse acquisition reserve	(115,767)	(115,767)
Exchange translation reserve	(1,308)	(1,497)
Retained earnings	26,564	24,860
	45,077	43,184
Non-controlling interest	118	76
TOTAL EQUITY	45,195	43,260
Non-Current Liabilities		
Borrowings	439	529
Provision for post-employment benefits	882	495
Amounts owing to ultimate holding company	1,837	-
Amount owing to holding company	494	-
Deferred tax liabilities	192	192
	3,844	1,216
Current Liabilities		
Trade payables	5,745	5,309
Other payables, deposits and accruals	7,164	12,527
Amounts owing to ultimate holding company	4,582	5,058
Amount owing to holding company	3,207	3,617
Amounts owing to related companies	1,472	2,127
Borrowings	2,523	10,711
	24,693	39,349
TOTAL LIABILITIES	28,537	40,565
TOTAL EQUITY AND LIABILITIES	73,732	83,825
Net assets per share (sen)	3.32	3.18

(The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these condensed consolidated interim financial information and the audited financial statements for the financial year ended 31 March 2016.)



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2016**

	<----- Attributable to owners of the Parent ----->						
	<----- Non-distributable ----->			<-Distributable ->		Non- controlling interest RM'000	Total equity RM'000
	Share capital RM'000	Reverse acquisition reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000		
Audited							
<u>Six Months Financial Period Ended 30 September 2016</u>							
Balance as at 1 April 2016	135,588	(115,767)	(1,497)	24,860	43,184	76	43,260
Profit for the financial period	-	-	-	1,704	1,704	42	1,746
Foreign currency translation differences for foreign operations, net of tax	-	-	189	-	189	-	189
Total comprehensive income for the financial period	-	-	189	1,704	1,893	42	1,935
Balance as at 30 September 2016	135,588	(115,767)	(1,308)	26,564	45,077	118	45,195

	<----- Attributable to owners of the Parent ----->						
	<----- Non-distributable ----->			<-Distributable ->		Non- controlling interest RM'000	Total equity RM'000
	Share capital RM'000	Reverse acquisition reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000		
Unaudited							
<u>Six Months Financial Period Ended 30 September 2015</u>							
Balance as at 1 April 2015	135,588	(115,767)	(226)	23,457	43,052	78	43,130
Profit/(Loss) for the financial period	-	-	-	83	83	(1)	82
Foreign currency translation differences for foreign operations, net of tax	-	-	(1,382)	-	(1,382)	-	(1,382)
Total comprehensive (loss) / income for the financial period	-	-	(1,382)	83	(1,299)	(1)	(1,300)
Balance as at 30 September 2015	135,588	(115,767)	(1,608)	23,540	41,753	77	41,830

(The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these condensed consolidated interim financial information and the audited financial statements for the financial year ended 31 March 2016.)



**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2016**

	FOR THE HALF-YEAR ENDED	
	30-Sep-16 RM'000 Audited	30-Sep-15 RM'000 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	2,111	1,289
Bad debts recovered	-	(4)
Depreciation of property, plant and equipment	747	264
Fair value adjustments on non-current trade receivables	596	-
Fair value gain on amount owing to immediate holding company	(36)	-
Fair value gain on amount owing to ultimate holding company	(135)	-
Impairment losses on trade receivables	-	620
Interest income	(232)	(82)
Interest expense	268	433
Inventories written off	-	613
Reversal of impairment losses on trade receivables	-	(706)
Net movement for post-employment benefits	337	-
Net unrealised gain on foreign exchange	(212)	(986)
	<hr/>	<hr/>
Operating profit before working capital changes	3,444	1,441
Net changes in assets	3,927	11
Net changes in liabilities	(2,490)	676
	<hr/>	<hr/>
Cash generated from operations	4,881	2,128
Tax paid	(514)	(1,286)
Tax refunded	-	161
	<hr/>	<hr/>
Net cash from operating activities	<u>4,367</u>	<u>1,003</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Advances from ultimate holding company	1,497	-
Advances from immediate holding company	121	-
Repayments to related companies	(655)	-
Purchase of property, plant and equipment	(166)	(69)
Withdrawal/(Placement) of fixed deposits pledged to bank	2,394	(681)
Interest received	232	82
	<hr/>	<hr/>
Net cash from/(used) in investing activities	<u>3,423</u>	<u>(668)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of borrowings	-	(111)
Repayment of hire purchase payables	(133)	-
Interest paid	(268)	(433)
	<hr/>	<hr/>
Net cash used in financing activities	<u>(401)</u>	<u>(544)</u>
Net change in cash and cash equivalents	7,389	(209)
Cash and cash equivalents at beginning of financial period	(7,223)	(3,581)
Effect of foreign exchange on opening balance	316	(831)
	<hr/>	<hr/>
Cash and cash equivalents at end of financial period	<u>482</u>	<u>(4,621)</u>

(The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to these condensed consolidated interim financial information and the audited financial statements for the financial year ended 31 March 2016.)

PART A: Notes to the Condensed Consolidated Interim Financial Information

1 Basis of preparation

The condensed consolidated interim financial information has been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134, *Interim Financial Reporting* and International Accounting Standard 34 *Interim Financial Reporting*.

The condensed consolidated interim financial information for quarter ended 30 September 2016 has been reviewed by the external auditors and the half-year ended 30 September 2016 has been audited by the external auditors.

The condensed consolidated interim financial information should be read in conjunction with the audited financial statements for the financial year ended 31 March 2016 and audited financial statements for the financial period commencing 1 April 2016 to 30 September 2016 respectively. The explanatory notes attached to this condensed consolidated interim financial information 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 since the financial year ended 31 March 2016.

2 Significant Accounting Policies

The Group has applied the same accounting policies and method of computation in the condensed consolidated interim financial information as in the 31 March 2016 annual financial statements except for those that relate to new standards and amendments effective for the first time for the periods beginning on (or after) 1 January 2016, and will be adopted in the 2017 financial statements. None of the new standards and amendments that are effective for the first time for periods beginning on (or after) 1 January 2016 however have a material effect on the Group.

(a) New MFRSs adopted during the current financial period

The Group adopted the following Standards and Amendments of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the current financial period:

Title	Effective Date
MFRS 14 <i>Regulatory Deferral Accounts</i>	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128 <i>Investment Entities</i> :	1 January 2016
Amendments to MFRS 101 <i>Disclosure Initiative</i>	1 January 2016
Amendments to MFRS 116 and MFRS 138 <i>Clarification of Acceptable Methods of Depreciation and</i>	1 January 2016
Amendments to MFRS 11 <i>Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016
Amendments to MFRS 116 and MFRS 141 <i>Agriculture: Bearer Plants</i>	1 January 2016
Amendments to MFRS 127 <i>Equity Method in Separate Financial Statements</i>	1 January 2016
Amendments to MFRSs <i>Annual Improvements to 2012 - 2014 Cycle</i>	1 January 2016

(b) New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2017

The following are Standards of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board

Title	Effective Date
Amendments to MFRS 112 <i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017
Amendments to MFRS 107 <i>Disclosure Initiative</i>	1 January 2017
MFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2018
Clarification to MFRS 15	1 January 2018
MFRS 9 <i>Financial Instruments (IFRS as issued by IASB in July 2014)</i>	1 January 2018
Amendments to MFRS 2 <i>Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018
MFRS 16 <i>Leases</i>	1 January 2019
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its</i>	Deferred

3 Qualification of independent auditors' report on preceding annual audited financial statements

The auditors' report on the financial statements for the financial year ended 31 March 2016 was an unqualified opinion.

4 Seasonal and cyclical factors

The business of the Group was not affected by any seasonal and cyclical factors during the quarter ended 30 September 2016.

5 Unusual items due to their nature, size or incidence

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows during the quarter ended 30 September 2016.

6 Material changes in estimates

There were no material changes in estimates during the quarter ended 30 September 2016.

7 Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the quarter ended 30 September 2016.

PART A: Notes to the Condensed Consolidated Interim Financial Information

8 Dividends paid

There was no dividends paid during the quarter ended 30 September 2016.

9 Segmental information

The Group's reportable segments were identified as follows: -

- Business Performance Services - Provision of business performance improvement related services
- Trading & Distribution Services - Distribution and reselling of hardware and software and related services
- Digital & Infrastructure Services - Provision of a comprehensive range of tele/data communication, networking solutions and related services

The others segment comprises operations related to investment holding activities and subsidiaries that have ceased operations and remained inactive.

Business Segments	Business Performance Services RM'000	Trading & Distribution Services RM'000	Digital & Infrastructure Services RM'000	Others RM'000	Eliminations RM'000	Consolidation RM'000
Audited						
Half Year Ended-30-9-2016						
External sales	20,785	62	12,028	-	-	32,875
Inter segment sales	-	-	2,638	1,000	(3,638)	-
Total Sales	20,785	62	14,666	1,000	(3,638)	32,875
Segment results	835	(103)	911	2,975	(2,471)	2,147
Finance costs	(16)	-	(113)	(139)	-	(268)
Interest Income	31	-	201	-	-	232
Profit/(Loss) before tax	850	(103)	999	2,836	(2,471)	2,111
Segment assets	27,321	439	86,712	112,252	(152,992)	73,732
Unaudited						
Half Year Ended-30-9-2015						
External sales	17,571	962	18,438	-	-	36,971
Inter segment sales	-	-	3,278	-	(3,278)	-
Total Sales	17,571	962	21,716	-	(3,278)	36,971
Segment results	(601)	9	1,594	638	-	1,640
Finance costs	(126)	(3)	(74)	(230)	-	(433)
Interest Income	23	-	59	-	-	82
(Loss)/Profit before tax	(704)	6	1,579	408	-	1,289
Segment assets	20,658	553	53,309	8,165	-	82,685

10 Related Party Disclosures

Significant related party transactions are as follows:-

	QUARTER ENDED		HALF-YEAR ENDED	
	30-Sep-16 RM'000	30-Sep-15 RM'000	30-Sep-16 RM'000	30-Sep-15 RM'000
Sale of goods and services to related companies	1,707	2,964	4,259	5,730
Purchase of goods and services from related companies	-	10	51	36
Corporate secretarial services fees paid/ payable to a related company	8	7	15	14
Management fees to ultimate holding company	120	120	240	240

PART A: Notes to the Condensed Consolidated Interim Financial Information

11 Carrying amount of revalued assets

There were no changes to the valuation of property, plant and equipment during the quarter ended 30 September 2016.

12 Subsequent events

There were no material events/subsequent to the end of the quarter ended 30 September 2016.

13 Changes in the composition of the Group

There were no changes in the composition of the Group during the quarter ended 30 September 2016.

14 Changes in contingent liabilities or contingent assets

Corporate and bank guarantee granted for the quarter ended 30 September 2016 are as follows:-

	RM'000
Corporate guarantee given to financial institution for facilities granted to subsidiaries	<u>16,100</u>
Bank guarantee given by financial institution in respect of projects of related companies	<u>178</u>

15 Capital commitments

No capital commitments for purchase of property, plant & equipment not provided for on the condensed interim financial information.

PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 30 SEPTEMBER 2016

1 Detailed analysis of performance

The Group recorded RM18.95 million of revenue in the current quarter under review, a decrease by RM5.63 million from RM24.58 million in the corresponding quarter of the preceding financial year.

The detailed breakdown of revenue by operating segments of the Group are as follows: -

	QUARTER ENDED			HALF-YEAR ENDED		
	30-Sep-16 RM'000	30-Sep-15 RM'000	Variance %	30-Sep-16 RM'000	30-Sep-15 RM'000	Variance %
Business Performance Services	12,067	10,889	10.8	20,785	17,571	18.3
Trading & Distribution Services	56	880	(93.6)	62	962	(93.6)
Digital & Infrastructure Services	9,245	16,086	(42.5)	14,666	21,716	(32.5)
Others	1,000	-	-	1,000	-	-
	<u>22,368</u>	<u>27,855</u>	(19.7)	<u>36,513</u>	<u>40,249</u>	(9.3)
Less : Inter Segment Revenue	(3,421)	(3,278)		(3,638)	(3,278)	
Total External Revenue	<u>18,947</u>	<u>24,577</u>	(22.9)	<u>32,875</u>	<u>36,971</u>	(11.1)

The increase in revenue of the Business Performance Services segment by RM1.18 million was due to higher revenue driven by more projects undertaken by a Thailand subsidiary compared to the corresponding quarter of the preceding financial year.

The Trading & Distribution Services segment revenue was lower due to low orders intakes and fulfilments during the quarter under review.

Digital & Infrastructure Services segment recorded a decrease in revenue by RM6.84 million during the quarter under review compared to the corresponding quarter of the immediate preceding financial year because of order fulfillment from new projects during the corresponding quarter.

Other segment recorded increase revenue by RM1 million due to dividend received from Diversified Gateway Berhad.

The detailed breakdown of profit before tax by business segments of the Group are as follows: -

	QUARTER ENDED			HALF-YEAR ENDED		
	30-Sep-16 RM'000	30-Sep-15 RM'000	Variance %	30-Sep-16 RM'000	30-Sep-15 RM'000	Variance %
Business Performance Services	1,117	578	93.3	852	(622)	237.0
Trading & Distribution Services	(37)	57	(2,160.0)	(103)	5	(2,160.0)
Digital & Infrastructure Services	170	370	(54.1)	999	1,498	(33.3)
Others	139	394	(64.7)	363	408	(11.0)
Profit before tax	<u>1,389</u>	<u>1,399</u>	(0.7)	<u>2,111</u>	<u>1,289</u>	63.8

For the quarter under review, the Group's profit before tax was marginally lower by RM0.10 compared to the corresponding quarter of the immediate preceding year due to lower revenue which was compensated by a fair value gain amounting to RM0.17 million arising from the restructuring of certain short term liabilities to a longer term as well as RM0.14 million from the waiver of debts under some of its inactive subsidiaries.

2 Variation of results against preceding quarter

	3 months ended 30.09.2016 RM'000	3 months ended 30.06.2016 RM'000
Revenue	<u>18,947</u>	<u>13,928</u>
Profit before tax	<u>1,389</u>	<u>722</u>

The Group's revenue for the quarter was higher by RM5.02 million compared to the immediate preceding quarter due to higher revenue from the Business Performance Services and Digital & Infrastructure Services segments. Arising from this, the Group's recorded profit before tax improved to RM1.39 million for the current quarter under review as compared to the immediate preceding quarter's profit before tax at RM0.72 million. Additionally, the Group recorded a fair value gain amounting to RM0.17 million arising from the restructuring of certain short term liabilities to a longer term as well as RM0.14 million from the waiver of debts under some of its inactive subsidiaries.

3 Prospects

With the continued uncertainties posed by the current challenging market conditions in which the Group operates, the Board remains cautiously optimistic of the Group's financial performance for the second half of the current financial year.

PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 30 SEPTEMBER 2016

4 Profit forecast

Not applicable.

5 Tax expense

	QUARTER ENDED		HALF-YEAR ENDED	
	30-Sep-16 RM'000	30-Sep-15 RM'000	30-Sep-16 RM'000	30-Sep-15 RM'000
Current tax expense				
- Malaysian taxation	121	455	128	828
- Foreign taxation	315	191	413	191
(Over)/Under provision in prior year				
- Malaysian taxation	-	7	-	7
- Foreign taxation	-	(42)	-	181
Deferred tax	(176)	-	(176)	-
	<u>260</u>	<u>611</u>	<u>365</u>	<u>1,207</u>

The Group's effective tax rate for the current financial period is disproportionate to the statutory tax rate due to unabsorbed capital allowances and utilised tax losses carried forward of a subsidiary.

6 Status of corporate proposals

There were no corporate proposals announced or outstanding as at reporting date.

7 Borrowings and debts securities

The Group's bank borrowings as at 30 September 2016 are as follows:

	RM'000
Short term bank borrowings - secured	
- Denominated in Ringgit Malaysia	240
- Denominated in Thai Baht	2,283
Long term bank borrowings - secured	
- Denominated in Ringgit Malaysia	439
- Denominated in Thai Baht	-
	<u>2,962</u>

The Group has not issued any debt securities as at the reporting date.

8 Realised and Unrealised Profits

The retained earnings/(accumulated losses) as at the end of the reporting date can be analysed as follows:

	As at 30.09.2016 RM'000	As at 31.03.2016 RM'000
Total retained earning/(accumulated losses) of the Group: -		
- Realised	(40,405)	(42,995)
- Unrealised	3,161	2,533
	<u>(37,244)</u>	<u>(40,462)</u>
Consolidation adjustments	63,808	65,322
Total retained earnings as per consolidated financial statements	<u>26,564</u>	<u>24,860</u>

The determination of realised and unrealised profits is based on the Guidedance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Securities Listing Requirements, issued by the Malaysian Institute of Accountants ("MIA Guidance") and directive of Bursa Malaysia Securities Berhad.

PART B: EXPLANTORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 30 SEPTEMBER 2016

9 Changes in material litigation

There was no material litigation against the Group as at reporting date.

10 Dividends

No dividends have been recommended during the quarter ended 30 September 2016.

11 Earning per ordinary share

(a) Basic earning per ordinary share

Basic earning per ordinary share for the financial period under review is calculated based on the Group's profit after tax and non-controlling interests divided by the weighted average ("WA") number of ordinary shares in issue during the financial period.

	QUARTER ENDED		HALF-YEAR ENDED	
	30-Sep-16	30-Sep-15	30-Sep-16	30-Sep-15
Profit after tax and non-controlling interests (RM'000)	1,087	789	1,704	83
WA number of ordinary shares in issue ('000)	1,355,877	1,355,877	1,355,877	1,355,877
Basic profit per ordinary share (sen)	0.08	0.06	0.13	0.01

(b) Fully diluted earnings per ordinary share

The Group has no potential ordinary shares in issue as at reporting date and therefore, diluted earnings per share has not been presented.

12 Profit before tax

	QUARTER ENDED		HALF-YEAR ENDED	
	30-Sep-16 RM'000	30-Sep-15 RM'000	30-Sep-16 RM'000	30-Sep-15 RM'000
Profit before tax is arrived at after charging: -				
Depreciation of property, plant and equipment	412	132	747	264
Fair value loss on long term trade receivables	596	-	596	-
Impairment losses on trade receivables	-	125	-	620
Interest expenses	81	202	268	433
Inventories written off	-	308	-	613
Realised loss on foreign currency transactions	21	565	45	989
And crediting: -				
Bad debts recovered	-	1	-	4
Fair value gain on:				
-amount owing to immediate holding company	36	-	36	-
-amount owing to ultimate holding company	134	-	134	-
Waiver of loan from related company	142	-	646	-
Interest income	39	40	232	82
Reversal of impairment losses on trade receivables	45	603	-	706
Realised gain on foreign currency transactions	87	4	88	28
Unrealised gain on foreign currency translation	75	198	212	986