

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2017
 (The figures have not been audited)**

	QUARTER ENDED		YEAR ENDED	
	31-Mar-17 RM'000 Unaudited	31-Mar-16 RM'000 Unaudited Restated	31-Mar-17 RM'000 Unaudited	31-Mar-16 RM'000 Audited Restated
Revenue	21,662	14,387	74,160	70,263
Cost of sales	(7,096)	(978)	(31,774)	(27,250)
Gross profit	14,566	13,409	42,386	43,013
Other operating income	673	978	2,198	2,370
Other operating expenses	(15,305)	(17,104)	(40,683)	(42,399)
Finance costs	(141)	(172)	(433)	(1,012)
(Loss) / Profit before tax from continuing operations	(207)	(2,889)	3,468	1,972
Tax expense	(1,011)	3,642	(1,636)	2,748
(Loss) / Profit after tax from continuing operations	(1,218)	753	1,832	4,720
<u>Discontinued operation</u>				
Profit / (Loss) from discontinued operation, net of tax	135	(729)	(1,402)	(3,319)
(Loss) / Profit for the financial quarter / year	(1,083)	24	430	1,401
Other comprehensive (loss) / income, net of tax - Item that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations, net of tax	39	(1,588)	875	(1,271)
Other comprehensive income / (loss) for the financial quarter / year , net of tax	39	(1,588)	875	(1,271)
Total comprehensive (loss) / income for the financial quarter / year	(1,044)	(1,564)	1,305	130
(Loss) / Profit attributable to:-				
Owners of the parent	(1,054)	25	417	1,403
Non-controlling interest	(29)	(1)	13	(2)
(Loss) / Profit for the financial quarter / year	(1,083)	24	430	1,401
Total comprehensive (loss) / income attributable to:-				
Owners of the parent	(1,015)	(1,563)	1,292	132
Non-controlling interest	(29)	(1)	13	(2)
Total comprehensive (loss) / income for the financial quarter / year	(1,044)	(1,564)	1,305	130
(LBS) / EPS attributable to Owners of the parent (sen)				
- Basic and diluted				
Continuing operations	(0.09)	0.06	0.14	0.35
Discontinued operation	0.01	(0.05)	(0.10)	(0.24)
	(0.08)	0.01	0.04	0.11

(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 financial statements and the audited financial statements for the financial year ended 31 March 2016.)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 31 MARCH 2017**

	As at 31.03.2017 RM'000 Unaudited	As at 31.03.2016 RM'000 Audited
ASSETS		
Non-Current Assets		
Property, plant and equipment	4,713	5,457
Goodwill	5,738	5,738
Deferred tax assets	3,623	3,653
Trade receivables	6,272	6,077
	<u>20,346</u>	<u>20,925</u>
Current Assets		
Inventories	2,445	3,694
Trade receivables	22,318	19,595
Other receivables, deposits and prepayments	13,059	10,531
Amounts owing by related companies	4,414	8,505
Current tax assets	5,203	3,698
Cash and bank balances	17,663	16,877
	<u>65,102</u>	<u>62,900</u>
TOTAL ASSETS	<u>85,448</u>	<u>83,825</u>
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	(622)	(1,497)
Retained earnings	25,277	24,860
	<u>44,476</u>	<u>43,184</u>
Non-controlling interest	89	76
TOTAL EQUITY	<u>44,565</u>	<u>43,260</u>
Non-Current Liabilities		
Borrowings	252	529
Provision for post-employment benefits	1,239	495
Deferred tax liabilities	652	192
	<u>2,143</u>	<u>1,216</u>
Current Liabilities		
Trade payables	8,724	5,309
Other payables, deposits and accruals	14,117	12,527
Amounts owing to ultimate holding company	7,568	5,058
Amount owing to holding company	3,829	3,617
Amounts owing to related companies	1,557	2,127
Borrowings	2,945	10,711
	<u>38,740</u>	<u>39,349</u>
TOTAL LIABILITIES	<u>40,883</u>	<u>40,565</u>
TOTAL EQUITY AND LIABILITIES	<u>85,448</u>	<u>83,825</u>
Net assets per share (sen)	<u>3.28</u>	<u>3.18</u>

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



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2017**

	<----- Attributable to owners of the Parent ----->						Non-controlling interest RM'000	Total equity RM'000
	<----- Non-distributable ----->			<-Distributable ->		Total RM'000		
	Share capital RM'000	Reverse acquisition reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000				
Unaudited								
<u>Twelve Months Financial Year Ended 31 March 2017</u>								
Balance as at 1 April 2016	135,588	(115,767)	(1,497)	24,860	43,184	76	43,260	
Profit for the financial year	-	-	-	417	417	13	430	
Foreign currency translation differences for foreign operations, net of tax	-	-	875	-	875	-	875	
Total comprehensive income for the financial year	-	-	875	417	1,292	13	1,305	
Balance as at 31 March 2017	135,588	(115,767)	(622)	25,277	44,476	89	44,565	

	<----- Attributable to owners of the Parent ----->						Non-controlling interest RM'000	Total equity RM'000
	<----- Non-distributable ----->			<-Distributable ->		Total RM'000		
	Share capital RM'000	Reverse acquisition reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000				
Audited								
<u>Twelve Months Financial Year Ended 31 March 2016</u>								
Balance as at 1 April 2015	135,588	(115,767)	(226)	23,457	43,052	78	43,130	
Profit for the financial year	-	-	-	1,403	1,403	(2)	1,401	
Foreign currency translation differences for foreign operations, net of tax	-	-	(1,271)	-	(1,271)	-	(1,271)	
Total comprehensive (loss) / income for the financial year	-	-	(1,271)	1,403	132	(2)	130	
Balance as at 31 March 2016	135,588	(115,767)	(1,497)	24,860	43,184	76	43,260	

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2017**

FOR THE YEAR ENDED

	31-Mar-17	31-Mar-16
	RM'000	RM'000
	Unaudited	Audited
		Restated
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	3,468	1,972
Loss before tax from discontinued operation	(1,402)	(3,234)
Profit / (loss) before tax	<u>2,066</u>	<u>(1,262)</u>
Adjustment for non-cash items:		
Bad debts written off	-	222
Depreciation of property, plant and equipment	1,643	2,903
Fair value adjustments on non-current trade receivables	107	1,502
Gain on disposal of property, plant and equipment	(3)	-
Impairment losses on goodwill	-	1,637
Impairment losses on trade receivables	1,020	738
Interest income	(353)	(360)
Interest expense	309	1,012
Inventories written off	-	1,384
Property, plant and equipment written off	32	-
Reversal of impairment losses on trade receivables	(208)	(1,333)
Net movement for post-employment benefits	445	(1,223)
Net unrealised loss on foreign exchange	1	14
Net unrealised gain on foreign exchange	(486)	-
	<u>4,573</u>	<u>5,234</u>
Changes in working capital:		
Net changes in receivables	1,090	(6,288)
Net changes in payables	3,603	(1,960)
	<u>9,266</u>	<u>(3,014)</u>
Cash generated from / (used in) operations		
Tax paid	(2,177)	(2,616)
Tax refunded	-	303
Net cash from / (used in) operating activities	<u>7,089</u>	<u>(5,327)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Advances/(Repayment) from ultimate holding company	2,510	(201)
Advances from immediate holding company	210	3,031
Repayment from related companies	(619)	(344)
Purchase of property, plant and equipment	(859)	(145)
Proceed from disposal of property, plant and equipment	4	-
Withdrawal of fixed deposits pledged to bank	3,566	247
Interest received	353	360
Net cash from investing activities	<u>5,165</u>	<u>2,948</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase payables	(316)	(241)
Interest paid	(309)	(1,012)
Net cash used in financing activities	<u>(625)</u>	<u>(1,253)</u>
Net increase / (decrease) in cash and cash equivalents	11,629	(3,632)
Cash and cash equivalents at beginning of financial year	(7,223)	(3,581)
Effect of foreign exchange on opening balance	460	(10)
Cash and cash equivalents at end of financial year	<u>4,866</u>	<u>(7,223)</u>

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

PART A: Notes to the Condensed Consolidated Financial Statements

1 Basis of preparation

The condensed consolidated financial statements 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 financial statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2016. The explanatory notes attached to this condensed consolidated 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 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 financial statements 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 financial year

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 January 2016, the Group and the Company adopted the following Standards that are mandatory for annual financial periods beginning on or after 1 January 2016.

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: Applying the Consolidation Exception</i>	1 January 2016
Amendments to MFRS 11 <i>Accounting for Acquisitions of Interests in Joint Operations</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 Amortisation</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

There is no material impact upon the adoption of these Standard and Amendments during the financial year, other than the adoption of Amendments MFRS 101 Disclosure Initiative, which resulted in the following:

a) Grouping together supporting information for items presented in the statements of financial position, statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows, in the order in which each statement and each line item is presented.

b) Disclosures of only significant accounting policies comprising the measurement bases used in preparing the financial statements and other accounting policies that are relevant to the financial statements.

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

The Standards that are issued but not yet effective up to the date of issuance of financial statements of the Group and of the Company are disclosed below. The Group and the Company intend to adopt these Standards, if applicable, when they become effective.

Title	Effective Date
Amendments to MFRS 12 <i>Annual Improvements to MFRS Standards 2014 – 2016 Cycle</i>	1 January 2017
Amendments to MFRS 107 <i>Disclosure Initiative</i>	1 January 2017
Amendments to MFRS 112 <i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017
Amendments to MFRS 1 <i>Annual Improvements to MFRS Standards 2014 - 2016 Cycle</i>	1 January 2018
MFRS 9 <i>Financial Instruments (IFRS 9 as issued by IASB in July 2014)</i>	1 January 2018
MFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2018
Clarification to MFRS 15	1 January 2018
Amendments to MFRS 2 <i>Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018
Amendments to MFRS 128 <i>Annual Improvements to MFRS Standards 2014 - 2016 Cycle</i>	1 January 2018
Amendments to MFRS 140 <i>Transfers of Investment Property</i>	1 January 2018
IC Interpretation 22 <i>Foreign Currency Transactions and Advance Consideration</i>	1 January 2018
Amendments to MFRS 4 <i>Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts</i>	See MFRS 4 Paragraphs 46 and 48
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

The Group is in the process of assessing the impact of implementing these Standards, since the effects would only be observable for future financial years.

PART A: Notes to the Condensed Consolidated Financial Statements

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 31 March 2017.

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 31 March 2017.

6 Material changes in estimates

There were no material changes in estimates during the quarter ended 31 March 2017.

7 Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the quarter ended 31 March 2017.

8 Dividends paid

There was no dividends paid during the quarter ended 31 March 2017.

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
Unaudited Financial Year Ended 31-03-2017						
External sales	51,425	62	22,673	-	-	74,160
Inter segment sales	-	2	3,302	1,500	(4,804)	-
Total Sales	51,425	64	25,975	1,500	(4,804)	74,160
Segment results	2,899	(122)	1,809	1,222	(2,260)	3,548
Finance costs	(47)	(82)	(221)	(165)	82	(433)
Interest Income	12	-	341	-	-	353
Profit/(Loss) before tax from continuing operations	2,864	(204)	1,929	1,057	(2,178)	3,468
Taxation						(1,636)
Profit for the year from continuing operations						1,832
Discontinued operation						
Loss from discontinued operation, net of tax						(1,402)
Profit for the year						430
Segment assets	42,974	232	84,344	111,777	(153,879)	85,448

PART A: Notes to the Condensed Consolidated Financial Statements

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						
Financial Year Ended-31-03-2016						
Restated						
External sales	37,026	537	32,700	-	-	70,263
Inter segment sales	-	805	8,385	-	(9,190)	-
Total Sales	37,026	1,342	41,085	-	(9,190)	70,263
Segment results	2,636	(222)	2,542	(7,645)	5,312	2,623
Finance costs	(46)	(3)	(474)	(489)	-	(1,012)
Interest Income	46	-	315	-	-	361
Profit/(Loss) before tax from continuing operations	2,636	(225)	2,383	(8,134)	5,312	1,972
Taxation						2,748
Profit for the year from continuing operations						4,720
Discontinued operation						
Loss from discontinued operation, net of tax						(3,319)
Profit for the year						1,401
Segment assets	30,356	682	91,160	111,659	(150,032)	83,825

10 Related Party Disclosures

Significant related party transactions are as follows:-

	QUARTER ENDED		YEAR ENDED	
	31-Mar-17 RM'000	31-Mar-16 RM'000	31-Mar-17 RM'000	31-Mar-16 RM'000
Sale of goods and services to related companies	618	1,229	5,990	10,128
Purchase of goods and services from related companies	12	51	112	115
Corporate secretarial services fees paid/ payable to a related company	8	5	50	44
Management fees to ultimate holding company	120	120	480	480

11 Carrying amount of revalued assets

There were no changes to the valuation of property, plant and equipment during the quarter ended 31 March 2017.

12 Subsequent events

There were no material events/subsequent to the end of the quarter and financial year ended 31 March 2017.

13 Changes in the composition of the Group

There were no changes in the composition of the Group during the quarter ended 31 March 2017.

PART A: Notes to the Condensed Consolidated Financial Statements

14 Discontinued operation

On 24 November 2016, the Board of Directors decided to close down business operation of ISS Consulting (S) Pte Ltd because it had struggled to convert business prospects and pipeline into order book as it continued to operate amid challenging market conditions which undermined its ability to secure and deliver new projects competitively. Additionally, the Singapore operations had been experiencing attrition of existing customers to its competitors thus compounding to Management's decision to consider the discontinuation of the operations. The segment was not a discontinued operation as at 31 March 2016 and the comparative consolidated statement of profit or loss and other comprehensive income has been re-presented to show the discontinued operation separately from continuing operation.

Profit / (loss) attributable to the discontinued operation was as follows:

Results of discontinued operation

	QUARTER ENDED		YEAR ENDED	
	31-Mar-17 RM'000	31-Mar-16 RM'000	31-Mar-17 RM'000	31-Mar-16 RM'000
Revenue	32	511	2,340	2,242
Cost of Sales	(16)	838	(1,324)	(153)
Gross Profit	16	1,349	1,016	2,089
Other operating income	168	97	223	233
Other operating expenses	(44)	(2,085)	(2,636)	(5,551)
Finance costs	(5)	(5)	(5)	(5)
Profit / (loss) before taxation	135	(644)	(1,402)	(3,234)
Taxation	-	(85)	-	(85)
Profit / (loss) after taxation	135	(729)	(1,402)	(3,319)

Breakdown of assets and liabilities

	As at 31-Mar-17 RM'000
Trade receivables	5
Other receivables, deposits and prepayments	217
Amounts owing by related companies	6,271
Cash and bank balances	531
	<u>7,024</u>
Trade payables	(11)
Other payables, deposits and accruals	(380)
Amounts owing to ultimate holding company	(3,740)
Amounts owing to penultimate holding company	(2,209)
Amount owing to immediate holding company	(2,830)
Amounts owing to related companies	(2,405)
	<u>(11,575)</u>

15 Changes in contingent liabilities or contingent assets

Corporate and bank guarantee granted for the quarter ended 31 March 2017 are as follows:-

	RM'000
Corporate guarantee given to financial institution for facilities granted to subsidiaries	16,100

16 Capital commitments

No capital commitments for purchase of property, plant and equipment not provided for on the condensed consolidated financial statements.

PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2017

1 Detailed analysis of performance

The Group recorded RM21.69 million of revenue in the current quarter under review, a increase by RM6.80 million from RM14.89 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			YEAR ENDED		
	31-Mar-17 RM'000	31-Mar-16 RM'000	Variance %	31-Mar-17 RM'000	31-Mar-16 RM'000	Variance %
Business Performance Services	17,392	11,215	55.1	51,425	37,026	38.9
Trading & Distribution Services	-	380	-	64	1,342	(95.2)
Digital & Infrastructure Services	4,282	3,580	19.6	25,975	41,085	(36.8)
Others	500	-	-	1,500	-	-
	<u>22,174</u>	<u>15,175</u>	<u>46.1</u>	<u>78,964</u>	<u>79,453</u>	<u>(0.6)</u>
Less : Inter Segment Revenue	(512)	(788)		(4,804)	(9,190)	
External Revenue from continuing operations	21,662	14,387	50.6	74,160	70,263	5.5
Revenue from discontinued operation	32	510	(93.7)	2,340	2,242	4.4
Total Group Revenue	<u>21,694</u>	<u>14,897</u>		<u>76,500</u>	<u>72,505</u>	

Continuing Operations

The increase in revenue of the Business Performance Services segment by RM6.18 million was due to higher billings compared to the corresponding quarter of the preceding financial year.

The Trading & Distribution Services segment revenue was nil because no business activity.

Digital & Infrastructure Services segment recorded a increase in revenue by RM0.70 million during the quarter under review compared to the corresponding quarter of the immediate preceding financial year due to higher order fulfilment during the corresponding quarter.

Discontinued Operation

Lower revenue in ISS Consulting (S) Pte Ltd by RM0.48 million because the operation was discontinued compared to the corresponding quarter of the preceding financial year.

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

	QUARTER ENDED			YEAR ENDED		
	31-Mar-17 RM'000	31-Mar-16 RM'000	Variance %	31-Mar-17 RM'000	31-Mar-16 RM'000	Variance %
Business Performance Services	490	966	(49.3)	2,528	2,636	(4.1)
Trading & Distribution Services	(4)	(36)	88.9	(122)	(225)	45.8
Digital & Infrastructure Services	(306)	(4,434)	93.1	1,605	2,383	(32.6)
Others	(387)	615	(162.9)	(543)	(2,822)	80.8
(Loss) / Profit before tax from continuing operations	<u>(207)</u>	<u>(2,889)</u>	<u>92.8</u>	<u>3,468</u>	<u>1,972</u>	<u>75.9</u>
Profit / (Loss) before tax from discontinued operation	135	(729)	118.5	(1,402)	(3,319)	57.8
Profit / (Loss) before tax	<u>(72)</u>	<u>(3,618)</u>		<u>2,066</u>	<u>(1,347)</u>	

Continuing Operations

For the quarter under review, the Group's loss before tax after accounting for costs associated with the GN3 upliftment (RM0.39 million) was lower by RM2.68 million compared to the corresponding quarter of the immediate preceding year which included higher depreciation by RM2.34 million as a result of reclassification of spare items to fixed assets and fair value loss on long term trade receivable of RM1.50 million in Digital and Infrastructure Services segment and goodwill impairment of RM1.64 million in the preceding year.

Discontinued Operation

ISS Consulting (S) Pte Ltd recorded profit before tax at RM0.14 million was higher by RM0.86 million compared to the corresponding quarter of the immediate preceding year mainly due to the cessation of the SAP business.

2 Variation of results against preceding quarter

	3 months ended 31.03.2017 RM'000	3 months ended 31.12.2016 RM'000
Revenue		
Continuing Operations	21,662	21,153
Discontinued Operation	32	778
	<u>21,694</u>	<u>21,931</u>
Profit / (loss) before tax		
Continuing Operations	(207)	580
Discontinued Operation	135	(553)
	<u>(72)</u>	<u>27</u>

Continuing Operations

The Group's revenue for the quarter was higher by RM0.51 million compared to the immediate preceding quarter due to higher revenue from the Business Performance Services segments. However, the Group's loss before tax at RM0.21 million for the current quarter under review as compared to the immediate preceding quarter's profit before tax at RM0.58 million due to costs associated with the GN3 upliftment (RM0.39 million) and higher payroll costs in ISS Consulting (Thailand).

Discontinued Operation

Discontinued operation recorded profit before tax at RM0.14 million in the current quarter compared to loss before tax at RM0.55 to the immediate preceding quarter mainly due to cessation of SAP business on 31 December 2016.

3 Prospects

The Board is mindful of the challenging business environment and is cautious of the Group's financial performance for the coming financial year.

PART B: EXPLANTORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2017

4 Profit forecast

Not applicable.

5 Tax expense

	QUARTER ENDED		YEAR ENDED	
	31-Mar-17 RM'000	31-Mar-16 RM'000	31-Mar-17 RM'000	31-Mar-16 RM'000
Continuing Operations				
Current tax expense				
- Malaysian taxation	11	(391)	82	78
- Foreign taxation	600	(15)	874	319
Over / (Under) provision in prior year				
- Malaysian taxation	-	1	-	(92)
- Foreign taxation	-	-	-	184
Deferred tax	400	(3,237)	680	(3,237)
	<u>1,011</u>	<u>(3,642)</u>	<u>1,636</u>	<u>(2,748)</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 unutilised 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 31 March 2017 are as follows:

	RM'000
Short term bank borrowings - secured	
- Denominated in Ringgit Malaysia	278
- Denominated in Thai Baht	2,667
Long term bank borrowings - secured	
- Denominated in Ringgit Malaysia	244
- Denominated in Thai Baht	8
	<u>3,197</u>

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

8 Realised and Unrealised Profits

The retained earnings as at the end of the reporting date can be analysed as follows:

	As at 31.03.2017 RM'000	As at 31.03.2016 RM'000
Total retained earnings of the Group: -		
- Realised	(42,212)	(42,995)
- Unrealised	2,983	2,533
	<u>(39,229)</u>	<u>(40,462)</u>
Consolidation adjustments	64,506	65,322
Total retained earnings as per consolidated financial statements	<u>25,277</u>	<u>24,860</u>

The determination of realised and unrealised profits is based on the Guidance 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: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2017

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 31 March 2017.

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		YEAR ENDED	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Profit after tax and non-controlling interests (RM'000)				
Continuing Operations	(1,218)	753	1,832	4,720
Discontinued Operation	135	(729)	(1,402)	(3,319)
	<u>(1,083)</u>	<u>24</u>	<u>430</u>	<u>1,401</u>
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)				
Continuing Operations	(0.09)	0.06	0.14	0.35
Discontinued Operation	0.01	(0.05)	(0.10)	(0.24)
	<u>(0.08)</u>	<u>0.01</u>	<u>0.04</u>	<u>0.11</u>

(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 (Loss) / Profit before tax

	QUARTER ENDED		YEAR ENDED	
	31-Mar-17 RM'000	31-Mar-16 RM'000	31-Mar-17 RM'000	31-Mar-16 RM'000
(Loss) / Profit before tax is arrived at after charging: -				
Bad debts written off	-	222	-	222
Depreciation of property, plant and equipment	471	2,508	1,643	2,903
Fair value loss on long term trade receivables	(489)	1,502	107	1,502
Impairment losses on goodwill	-	1,637	-	1,637
Impairment losses on trade receivables	672	70	1,020	738
Interest expenses	17	226	309	1,012
Inventories written off	-	460	-	1,384
Property, plant and equipment written off	32	-	32	-
Realised loss on foreign currency transactions	112	(1,278)	181	664
Unrealised loss on foreign currency transactions	1	(55)	1	14

And crediting: -

Fair value gain on:				
-amount owing to immediate holding company	(36)	-	-	-
-amount owing to ultimate holding company	(134)	-	-	-
Gain on disposal of property, plant and equipment	3	-	3	-
Waiver of loan from related company	2	-	648	-
Interest income	24	235	353	360
Reversal of impairment losses on trade receivables	108	463	208	1,333
Realised gain on foreign currency transactions	(87)	(28)	1	-
Net movement for post-employment benefits	445	1,223	445	1,223
Unrealised gain on foreign currency translation	193	(346)	486	-