

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 March 2018**

(The figures have not been audited)

	INDIVIDUAL QUARTER THREE MONTHS ENDED		CUMULATIVE PERIOD TWELVE MONTHS ENDED	
	31-Mar-18 RM'000 Unaudited	31-Mar-17 RM'000 Unaudited	31-Mar-18 RM'000 Unaudited	31-Mar-17 RM'000 Audited
Revenue	27,287	21,662	83,902	74,160
Cost of sales	(8,386)	(7,096)	(30,750)	(31,775)
Gross profit	18,901	14,566	53,152	42,385
Other operating income	579	673	2,676	2,209
Other operating expenses	(21,994)	(15,305)	(56,844)	(40,817)
Finance costs	(95)	(141)	(254)	(309)
<b>Profit / (Loss) before tax from continuing operations</b>	<b>(2,609)</b>	<b>(207)</b>	<b>(1,270)</b>	<b>3,468</b>
Tax expense	(922)	(1,011)	(903)	(1,636)
<b>Profit / (Loss) after tax from continuing operations</b>	<b>(3,531)</b>	<b>(1,218)</b>	<b>(2,173)</b>	<b>1,832</b>
<u>Discontinued operation</u>				
(Loss) / Profit from discontinued operation, net of tax	(26)	135	(289)	(1,402)
<b>Profit / (Loss) for the financial quarter / year</b>	<b>(3,557)</b>	<b>(1,083)</b>	<b>(2,462)</b>	<b>430</b>
<b>Other comprehensive (loss) / income, net of tax</b>				
<b>- Item that may be reclassified subsequently to profit or loss</b>				
Foreign currency translation differences for foreign operations, net of tax	102	39	33	875
<b>Other comprehensive income for the financial quarter / year, net of tax</b>	<b>102</b>	<b>39</b>	<b>33</b>	<b>875</b>
<b>Total comprehensive income / (loss) for the financial quarter / year</b>	<b>(3,455)</b>	<b>(1,044)</b>	<b>(2,429)</b>	<b>1,305</b>
<b>Profit / (Loss) attributable to:-</b>				
Owners of the parent	(3,556)	(1,054)	(2,460)	417
Non-controlling interest	(1)	(29)	(2)	13
<b>Profit / (Loss) for the financial quarter / year</b>	<b>(3,557)</b>	<b>(1,083)</b>	<b>(2,462)</b>	<b>430</b>
<b>Total comprehensive income / (loss) attributable to:-</b>				
Owners of the parent	(3,454)	(1,015)	(2,427)	1,292
Non-controlling interest	(1)	(29)	(2)	13
<b>Total comprehensive income / (loss) for the financial quarter / year</b>	<b>(3,455)</b>	<b>(1,044)</b>	<b>(2,429)</b>	<b>1,305</b>
EPS / (LBS) attributable to Owners of the parent (sen)				
- Basic and diluted				
Continuing operations	(0.26)	(0.09)	(0.16)	0.13
Discontinued operation	(0.00)	0.01	(0.02)	(0.10)
	<b>(0.26)</b>	<b>(0.08)</b>	<b>(0.18)</b>	<b>0.03</b>

(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 consolidated interim financial information and the audited financial statements for the financial year ended 31 March 2017.)



CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
 AS AT 31 MARCH 2018

	As at 31-Mar-18 RM'000 Unaudited	As at 31-Mar-17 RM'000 Audited
<b>Non-Current Assets</b>		
Property, plant and equipment	3,770	4,713
Goodwill	5,738	5,738
Deferred tax assets	3,934	3,623
Trade receivables	11,523	6,272
	24,965	20,346
<b>Current Assets</b>		
Inventories	2,617	2,445
Trade receivables	17,658	22,318
Other receivables, deposits and prepayments	17,269	13,059
Amounts owing by related companies	2,354	4,414
Current tax assets	5,713	5,203
Cash and bank balances	17,800	17,663
	63,411	65,102
<b>TOTAL ASSETS</b>	88,376	85,448
Share capital	150,834	150,834
Reverse acquisition reserve	(131,013)	(131,013)
Exchange translation reserve	(589)	(622)
Retained earnings	22,817	25,277
<b>Equity attributable to owners of the parent</b>	42,049	44,476
Non-controlling interest	87	89
<b>TOTAL EQUITY</b>	42,136	44,565
<b>Non-Current Liabilities</b>		
Borrowings	20	252
Provision for post-employment benefits	4,164	1,239
Deferred tax liabilities	147	652
	4,331	2,143
<b>Current Liabilities</b>		
Trade payables	10,908	8,724
Other payables, deposits and accruals	28,565	14,117
Amounts owing to ultimate holding company	-	7,568
Amount owing to holding company	-	3,829
Amounts owing to related companies	2,080	1,557
Borrowings	356	2,945
	41,909	38,740
<b>TOTAL LIABILITIES</b>	46,240	40,883
<b>TOTAL EQUITY AND LIABILITIES</b>	88,376	85,448
<b>Net assets per share (sen)</b>	3.10	3.28

(The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these consolidated interim financial information and the audited financial statements for the financial year ended 31 March 2017.)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 March 2018**

	<----- Attributable to owners of the Parent ----->						
	<----- Non-distributable ----->			<-Distributable ->		Non- controlling interest RM'000	Total equity RM'000
<b>Unaudited</b> <b><u>Twelve Months Financial Year Ended 31 March 2018</u></b>	Share capital RM'000	Reverse acquisition reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000		
Balance as at 1 April 2017	150,834	(131,013)	(622)	25,277	44,476	89	44,565
Profit for the financial year	-	-	-	(2,460)	(2,460)	(2)	(2,462)
Foreign currency translation differences for foreign operations, net of tax	-	-	33	-	33	-	33
Total comprehensive income for the financial year	-	-	33	(2,460)	(2,427)	(2)	(2,429)
Balance as at 31 March 2018	<u>150,834</u>	<u>(131,013)</u>	<u>(589)</u>	<u>22,817</u>	<u>42,049</u>	<u>87</u>	<u>42,136</u>

	<----- Attributable to owners of the Parent ----->						
	<----- Non-distributable ----->			<-Distributable ->		Non- controlling interest RM'000	Total equity RM'000
<b>Unaudited</b> <b><u>Twelve Months Financial Year Ended 31 March 2017</u></b>	Share capital RM'000	Reverse acquisition reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000		
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
Effects of new Companies Act, 2016	15,246	(15,246)	-	-	-	-	-
Balance as at 31 March 2017	<u>150,834</u>	<u>(131,013)</u>	<u>(622)</u>	<u>25,277</u>	<u>44,476</u>	<u>89</u>	<u>44,565</u>

*(The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these consolidated interim financial information and the audited financial statements for the financial year ended 31 March 2017.)*

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 March 2018**

	FOR THE YEAR ENDED	
	31-Mar-18 RM'000 Unaudited	31-Mar-17 RM'000 Audited
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax from continuing operations	(1,270)	3,468
Loss before tax from discontinued operation	(289)	(1,392)
Profit before tax	(1,559)	2,076
Adjustment for non-cash items:		
Bad debts written off	58	-
Depreciation of property, plant and equipment	1,649	1,646
Fair value adjustments on non-current trade receivables	1,352	107
Loss / (gain) on disposal of property, plant & equipment	8	(3)
Impairment losses on trade receivables	2,614	1,021
Interest income	(321)	(353)
Interest expense	279	309
Inventories written off	771	-
Property, plant & equipment written off	-	29
Net movement for post-employment benefits	3,026	622
Reversal of impairment losses on trade receivables	(1,180)	(208)
Net unrealised gain on foreign exchange	(185)	(298)
Net unrealised loss on foreign exchange	286	-
Operating profit before working capital changes	6,798	4,948
Net changes in assets	(4,566)	(2,008)
Net changes in liabilities	1,852	7,382
Cash generated from operations	4,084	10,322
Tax paid	(2,313)	(2,068)
Tax refunded	542	-
Net cash from operating activities	2,313	8,254
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Advances from ultimate holding company	-	2,413
Advances from immediate holding company	-	(106)
Net (repayment to) / advance from related companies	634	(1,538)
Purchase of property, plant and equipment	(512)	(877)
Proceed from disposal of property, plant & equipment	42	3
Net withdrawal of fixed deposits pledged to bank	91	2,841
Interest received	321	353
Net cash from investing activities	576	3,089
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of hire purchase payables	(331)	(310)
Interest paid	(279)	(309)
Net cash used in financing activities	(610)	(619)
Net change in cash and cash equivalents	2,279	10,724
Cash and cash equivalents at beginning of financial year	3,474	(7,223)
Effect of foreign exchange on opening balance	96	(27)
Cash and cash equivalents at end of financial year	5,849	3,474

(The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to these consolidated interim financial information and the audited financial statements for the financial year ended 31 March 2017.)

**PART A:**

**Notes to the Consolidated Interim Financial Information**

**1 Basis of preparation**

The 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 consolidated interim financial information should be read in conjunction with the audited financial statements for the financial year ended 31 March 2017. The explanatory notes attached to this 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 2017.

**2 Significant Accounting Policies**

The Group has applied the same accounting policies and method of computation in the consolidated interim financial information as in the 31 March 2017 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 2017, and will be adopted in the 2018 financial statements. None of the new standards and amendments that are effective for the first time for periods beginning on or after 1 January 2017 however have a material effect on the Group.

**(a) New MFRSs adopted during the current financial year**

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
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
Amendments to MFRS 12 Annual Improvements to MFRS Standards 2014-2016 Cycle	1 January 2017

**(b) New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2018**

The following are Standards of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board ('MASB') but have not been early adopted by the Group and the Company.

Title	Effective Date
Amendments to MFRS 1 <i>Annual Improvements to MFRS Standards 2014-2016 Cycle</i>	1 January 2018
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
Amendments to MFRS 128 <i>Annual Improvements to MFRS Standards 2014-2016 Cycle</i>	1 January 2018
IC Interpretation 22 <i>Foreign Currency Transactions and Advance Consideration</i>	1 January 2018
Amendments to MFRS 140 <i>Transfers of Investment Property</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
IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
Amendments to MFRS 128 <i>Long-term Interests in Associates and Joint Ventures</i>	1 January 2019
Amendments to MFRS 9 <i>Prepayment Features with Negative Compensation</i>	1 January 2019
Amendments to MFRS 3 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 11 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 112 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 123 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 119 <i>Plan Amendment, Curtailment or Settlement</i>	1 January 2019
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
MFRS 17 <i>Insurance Contracts</i>	1 January 2021
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associates or Joint Venture</i>	Deferred

**PART A:**  
**Notes to the Consolidated Interim Financial Information**

**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 2017 was an unqualified opinion.

**4 Seasonal and cyclical factors**

The business of the Group was not affected by any seasonal and cyclical factors.

**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 under review.

**6 Material changes in estimates**

There were no material changes in estimates during the quarter under review.

**7 Debt and equity securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the quarter under review.

**8 Dividends paid**

There was no dividends paid during the quarter under review.

**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.

<b>Business Segments</b>	<b>Business Performance Services RM'000</b>	<b>Trading &amp; Distribution Services RM'000</b>	<b>Digital &amp; Infrastructure Services RM'000</b>	<b>Others RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidation RM'000</b>
<b>Financial Year Ended 31 March 2018</b>						
External sales	69,589	-	14,313	-	-	83,902
Inter segment sales	-	111	-	-	(111)	-
Total sales	<u>69,589</u>	<u>111</u>	<u>14,313</u>	<u>-</u>	<u>(111)</u>	<u>83,902</u>
Segment results	2,765	(37)	(3,019)	(1,021)	-	(1,312)
Finance costs	(54)	-	(220)	(5)	-	(279)
Interest Income	126	-	195	-	-	321
Profit / (loss) before tax	<u>2,837</u>	<u>(37)</u>	<u>(3,044)</u>	<u>(1,026)</u>	<u>-</u>	<u>(1,270)</u>
Taxation						(903)
Profit for the year from continuing operations						(2,173)
<b>Discontinued operation</b>						
Loss from discontinued operation, net of tax						(289)
Profit for the year						<u>(2,462)</u>
Segment assets	<u>47,239</u>	<u>76</u>	<u>79,748</u>	<u>111,749</u>	<u>(150,436)</u>	<u>88,376</u>

**PART A:**  
**Notes to the Consolidated Interim Financial Information**

**9 Segmental information (cont'd.)**

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
<b>Financial Year Ended 31 March 2017</b>						
External sales	51,425	62	22,673	-	-	74,160
Inter segment sales	-	2	3,302	1,500	(4,804)	-
Total sales	<u>51,425</u>	<u>64</u>	<u>25,975</u>	<u>1,500</u>	<u>(4,804)</u>	<u>74,160</u>
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 period from continuing operations						1,832
<b>Discontinued operation</b>						
Loss from discontinued operation, net of tax						(1,402)
Profit for the period						<u>430</u>
Segment assets	<u>35,950</u>	<u>232</u>	<u>84,344</u>	<u>118,802</u>	<u>(153,879)</u>	<u>85,449</u>

**10 Related Party Disclosures**

Significant related party transactions are as follows:-

	INDIVIDUAL QUARTER THREE MONTHS ENDED		CUMULATIVE PERIOD TWELVE MONTHS ENDED	
	31-Mar-18 RM'000	31-Mar-17 RM'000	31-Mar-18 RM'000	31-Mar-17 RM'000
Sale of goods and services to related companies	256	618	2,313	5,990
Purchase of goods and services from related companies	361	12	368	112
Corporate secretarial services fees paid/ payable to a related company	11	8	58	50
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 under review.

**12 Subsequent events**

There were no material events/subsequent to the end of the quarter under review.

**13 Changes in the composition of the Group**

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

**PART A:**

**Notes to the Consolidated Interim Financial Information**

**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 discontinuation of the operation was completed in the 4th quarter of financial year ended 31 March 2017.

Loss attributable to the discontinued operation was as follows:

**Results of discontinued operation**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	THREE MONTHS ENDED		TWELVE MONTHS ENDED	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
	RM'000	RM'000	RM'000	RM'000
Revenue	-	32	13	2,340
Cost of sales	-	(16)	(17)	(2,382)
Gross profit / (loss)	-	16	(4)	(42)
Other operating income	-	168	7	249
Other operating expenses	(26)	(44)	(290)	(1,596)
Finance costs	-	(5)	(2)	(3)
(Loss) / profit before taxation	(26)	135	(289)	(1,392)
Taxation	-	-	-	(10)
(Loss) / profit after taxation	(26)	135	(289)	(1,402)

**15 Changes in contingent liabilities or contingent assets**

Corporate and bank guarantee granted for the quarter under review 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 & equipment not provided for on the interim financial information.

**17 Cash and bank balance**

	As at 31-Mar-18 RM'000
Cash and bank balances	5,960
Fixed deposits with licensed financial institutions	11,840
	17,800
Less: Fixed deposits pledged with licensed banks	(11,840)
Less: Bank overdraft	(111)
	5,849



**PART B:**  
**EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 March 2018**

**1 Detailed analysis of performance**

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

	INDIVIDUAL QUARTER THREE MONTHS ENDED			CUMULATIVE PERIOD TWELVE MONTHS ENDED		
	31-Mar-18 RM'000	31-Mar-17 RM'000	Variance %	31-Mar-18 RM'000	31-Mar-17 RM'000	Variance %
Business Performance Services	22,125	17,392	27.2	69,589	51,425	35.3
Trading & Distribution Services	-	-		111	64	73.4
Digital & Infrastructure Services	5,175	4,282	20.9	14,313	25,975	(44.9)
Others	(13)	500	-	-	1,500	-
	<u>27,287</u>	<u>22,174</u>	23.1	<u>84,013</u>	<u>78,964</u>	6.4
Less : Inter Segment Revenue	-	(512)		(111)	(4,804)	
External Revenue from continuing operations	27,287	21,662	26.0	83,902	74,160	13.1
Revenue from discontinued operation	-	32	(100.0)	13	2,340	(99.4)
<b>Total Group Revenue</b>	<u><u>27,287</u></u>	<u><u>21,694</u></u>		<u><u>83,915</u></u>	<u><u>76,500</u></u>	

The Group recorded revenue of RM27.3 million for the quarter ended 31 March 2018, an increase by RM5.59 million (25.8%) against revenue achieved in the previous corresponding quarter. The higher revenue was attributable to the Business Performance Services where the demand for SAP services increase year on year.

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

	INDIVIDUAL QUARTER THREE MONTHS ENDED			CUMULATIVE PERIOD TWELVE MONTHS ENDED		
	31-Mar-18 RM'000	31-Mar-17 RM'000	Variance %	31-Mar-18 RM'000	31-Mar-17 RM'000	Variance %
Business Performance Services	405	490	(17.3)	2,837	2,864	(0.9)
Trading & Distribution Services	(9)	(4)	(125.0)	(37)	(204)	81.9
Digital & Infrastructure Services	(2,678)	(306)	(775.2)	(3,044)	1,929	(257.8)
Others	(327)	(387)	15.5	(1,026)	(1,121)	8.5
Profit / (Loss) before tax from continuing operations	(2,609)	(207)	(1,160.4)	(1,270)	3,468	(136.6)
(Loss) / Profit before tax from discontinued operation	(26)	135	(119.3)	(289)	(1,402)	79.4
<b>Profit before tax</b>	<u><u>(2,635)</u></u>	<u><u>(72)</u></u>		<u><u>(1,559)</u></u>	<u><u>2,066</u></u>	

The Group posted a loss before tax of RM2.64 million for the quarter ended 31 March 2018. Higher loss as compared to the previous corresponding quarter was mainly attributable to Digital & Infrastructure Services segment reported RM0.77mil inventory write-off, RM1.08mil fair value loss on long term receivables and RM2mil impairment on receivables.

**PART B:**  
**EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**  
**FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 March 2018**

**2 Variation of results against preceding quarter**

	<b>3 months ended 31-Mar-18 RM'000</b>	<b>3 months ended 31-Dec-17 RM'000</b>	<b>Variance  %</b>
Revenue	<u>27,287</u>	<u>16,604</u>	64.3
Profit before tax	<u>(2,609)</u>	<u>99</u>	(2,735.4)

The Group's revenue for the current quarter under review was RM10.68 million higher compared to the immediate preceding quarter due to higher order fulfilment.

**3 Prospects**

The Group's two major operating subsidiaries, Diversified Gateway Berhad ("DGB") which mainly operates in the telecommunication infrastructure sector in Malaysia and ISS Consulting (Thailand) Ltd ("ISST") which offers SAP consulting services in Thailand.

DGB's operating environment remains challenging with margins being compressed due to high competition. DGB has embarked on expanding its range of technology integration and maintenance services in the upcoming year.

The SAP market in Thailand which ISST operates in, particularly the manufacturing sector remains steady with good demand for SAP software licenses and implementation services. ISST is expected to continue registering growth.

The Board remains cautiously optimistic of the Group's prospects for the coming financial year while continuing to explore new business opportunities for the Group

**4 Profit forecast**

Not applicable.

**5 Tax expense**

	<b>INDIVIDUAL QUARTER THREE MONTHS ENDED</b>		<b>CUMULATIVE PERIOD TWELVE MONTHS ENDED</b>	
	<b>31-Mar-18 RM'000</b>	<b>31-Mar-17 RM'000</b>	<b>31-Mar-18 RM'000</b>	<b>31-Mar-17 RM'000</b>
Current tax expense				
- Malaysian taxation	257	11	291	82
- Foreign taxation	967	600	1,453	874
Over provision in prior year				
- Malaysian taxation		-	34	-
- Foreign taxation	-	-	(28)	-
Deferred tax	(302)	400	(847)	680
	<u>922</u>	<u>1,011</u>	<u>903</u>	<u>1,636</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 Unquoted investments and properties**

There were no purchase or disposal of unquoted investments and properties during the financial year under review.

**PART B:**  
**EXPLANTORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**  
**FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 March 2018**

**7 Quoted securities**

There were no acquisitions or disposals of quoted securities during the financial year under review.

**8 Status of corporate proposals**

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

**9 Borrowings and debts securities**

The Group's bank borrowings as at 31 March 2018 are as follows:

**RM'000**

Short term bank borrowings - secured - Denominated in Ringgit Malaysia	20
Long term bank borrowings - secured - Denominated in Ringgit Malaysia	<u>356</u>
	<u><u>376</u></u>

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

**10 Realised and Unrealised Profits**

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

	<b>As at 31.03.2018 RM'000</b>	<b>As at 31.03.2017 RM'000</b>
Total retained earning of the Group: -		
- Realised	(37,526)	(28,216)
- Unrealised	4,651	4,055
	<u>(32,875)</u>	<u>(24,161)</u>
Consolidation adjustments	55,692	49,438
Total retained earnings as per consolidated financial statements	<u><u>22,817</u></u>	<u><u>25,277</u></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.

**11 Changes in material litigation**

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

**12 Dividends**

No dividends have been recommended during the quarter ended 31 March 2018.

**PART B:**  
**EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**  
**FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 March 2018**

**13 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.

	INDIVIDUAL QUARTER THREE MONTHS ENDED		CUMULATIVE PERIOD TWELVE MONTHS ENDED	
	31-Mar-18 RM'000	31-Mar-17 RM'000	31-Mar-18 RM'000	31-Mar-17 RM'000
Profit / (loss) after tax attributable to the Owners of the parent				
Continuing Operations	(3,530)	(1,189)	(2,171)	1,819
Discontinued Operation	(26)	135	(289)	(1,402)
	<u>(3,556)</u>	<u>(1,054)</u>	<u>(2,460)</u>	<u>417</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	(0.26)	(0.09)	(0.16)	0.13
Discontinued Operation	(0.00)	0.01	(0.02)	(0.10)
	<u>(0.26)</u>	<u>(0.08)</u>	<u>(0.18)</u>	<u>0.03</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.

**14 Profit before tax**

	INDIVIDUAL QUARTER THREE MONTHS ENDED		CUMULATIVE PERIOD TWELVE MONTHS ENDED	
	31-Mar-18 RM'000	31-Mar-17 RM'000	31-Mar-18 RM'000	31-Mar-17 RM'000
Profit before tax is arrived at after charging: -				
Inventories written off	771	-	771	-
Bad debts written off	58	-	58	-
Depreciation of property, plant and equipment	405	471	1,649	1,646
Fair value loss on long term trade receivables	1,622	-	1,352	107
Impairment loss on trade receivables	2,531	564	2,614	-
Fair value gain on:				
- amount owing to immediate holding company	-	36	-	-
- amount owing to ultimate holding company	-	134	-	-
Interest expenses	53	17	124	309
Loss on disposal of property, plant & equipment	-	-	8	-
Property, plant & equipment written off	-	32	-	29
Net movement for post-employment benefits	2,847	-	3,026	622
Realised loss on foreign currency transactions	9	199	110	69
Unrealised loss on foreign currency transactions	93	1	286	-
And crediting: -				
Fair value gain on long term trade receivables	-	489	-	-
Reversal of impairment losses on trade receivables	234	-	1,180	208
Gain on disposal of property, plant & equipment	-	3	-	3
Waiver of loan from related company	-	2	-	646
Interest income	77	24	321	353
Realised gain on foreign currency transactions	-	-	-	88
Net movement for post-employment benefits	-	445	-	-
Unrealised gain on foreign currency translation	27	193	185	298