

QUARTERLY REPORT FOR THE FIRST QUARTER 2018**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2018**

	As at 31.3.2018 RM'000	As at 31.12.2017 RM'000
Assets:		
Non-current		
Property, plant and equipment	2,477	2,646
Intangible assets	5,215	5,090
Goodwill	148	148
Investment in associates	980	881
Deferred tax assets	845	587
	9,665	9,352
Current		
Trade receivables	29,885	38,710
Other receivables, deposits and prepayments	3,668	3,604
Tax recoverable	667	617
Fixed deposits with licensed banks	2,073	4,121
Other financial assets	119	118
Cash and bank balances	18,712	12,902
	55,124	60,072
Total Assets	64,789	69,424

QUARTERLY REPORT FOR THE FIRST QUARTER 2018

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2018 (CONT'D)**

	Note	As at 31.3.2018 RM'000	As at 31.12.2017 RM'000
Liabilities:			
Non-current			
Borrowings	B8	97	106
Deferred tax liabilities		554	519
Retirement benefits obligation		485	491
		<u>1,136</u>	<u>1,116</u>
Current			
Borrowings	B8	1,028	1,016
Trade payables		17,919	18,809
Other payables and accruals		9,809	11,435
Tax payable		1,170	767
		<u>29,926</u>	<u>32,027</u>
Total Liabilities		<u>31,062</u>	<u>33,143</u>
Net Assets		<u>33,727</u>	<u>36,281</u>
Equity:			
Share capital		18,937	18,937
Reserves		12,973	15,397
Total equity attributable to Owners of the Company		<u>31,910</u>	<u>34,334</u>
Non-controlling interests		1,817	1,947
Total Equity		<u>33,727</u>	<u>36,281</u>
Net Assets per share attributable to Owners of the Company (sen)		<u>23.06</u>	<u>24.81</u>

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2017)

QUARTERLY REPORT FOR THE FIRST QUARTER 2018
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE PERIOD ENDED 31 MARCH 2018**

	Note	Current quarter ended 31.3.2018 RM'000	Comparative quarter ended 31.3.2017 RM'000	Current year-to-date ended 31.3.2018 RM'000	Preceding year-to-date ended 31.3.2017 RM'000
Revenue		24,520	22,591	24,520	22,591
Direct costs		(14,254)	(12,808)	(14,254)	(12,808)
Gross profit		10,266	9,783	10,266	9,783
Other operating income		216	250	216	250
Operating expenses		(11,071)	(13,886)	(11,071)	(13,886)
Loss from operations		(589)	(3,853)	(589)	(3,853)
Finance costs		(11)	(3)	(11)	(3)
Share in profit of equity-accounted associates, net of tax		99	161	99	161
Loss before tax	B6	(501)	(3,695)	(501)	(3,695)
Income tax expense	B7	(460)	-	(460)	-
Loss after tax		(961)	(3,695)	(961)	(3,695)
Other Comprehensive Loss for the period, net of tax					
<i>Item that may be reclassified subsequently to profit or loss:</i>					
Foreign currency translation		(805)	(194)	(805)	(194)
Total Other Comprehensive Loss for the period, net of tax		(805)	(194)	(805)	(194)
Total Comprehensive Loss		(1,766)	(3,889)	(1,766)	(3,889)

QUARTERLY REPORT FOR THE FIRST QUARTER 2018

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE PERIOD ENDED 31 MARCH 2018 (CONT'D)**

	Note	Current quarter ended 31.3.2018 RM'000	Comparative quarter ended 31.3.2017 RM'000	Current year-to-date ended 31.3.2018 RM'000	Preceding year-to-date ended 31.3.2017 RM'000
(Loss)/Profit attributable to:					
Owners of the Company		(1,052)	(3,537)	(1,052)	(3,537)
Non-controlling interests		91	(158)	91	(158)
		(961)	(3,695)	(961)	(3,695)
Total Comprehensive Loss attributable to:					
Owners of the Company		(1,715)	(3,704)	(1,715)	(3,704)
Non-controlling interests		(51)	(185)	(51)	(185)
		(1,766)	(3,889)	(1,766)	(3,889)
Loss per share attributable to Owners of the Company (sen)					
Basic	B11	(0.76)	(2.56)	(0.76)	(2.56)

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2017)

QUARTERLY REPORT FOR THE FIRST QUARTER 2018
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2018**

	Attributable to Owners of the Company						Non-controlling interests	Total equity	
	Share capital	Share premium	Reverse acquisition reserve	Foreign exchange reserve	Other reserves	Retained profits			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance as at 1.1.2018, as previously reported	18,937	-	(2,512)	(168)	248	17,829	34,334	1,947	36,281
Effects of adoption of MFRS 9	-	-	-	-	-	(752)	(752)	(133)	(885)
Restated balance as at 1.1.2018	18,937	-	(2,512)	(168)	248	17,077	33,582	1,814	35,396
(Loss)/Profit after tax	-	-	-	-	-	(1,052)	(1,052)	91	(961)
Other comprehensive loss	-	-	-	(663)	-	-	(663)	(142)	(805)
Total Comprehensive Loss	-	-	-	(663)	-	(1,052)	(1,715)	(51)	(1,766)
Acquisitions of non-controlling interest	-	-	-	7	-	36	43	54	97
Total transaction with Owners and changes in ownership interests	-	-	-	7	-	36	43	54	97
Balance as at 31.3.2018	18,937	-	(2,512)	(824)	248	16,061	31,910	1,817	33,727
Balance as at 1.1.2017	13,840	5,097	(2,512)	876	248	17,849	35,398	510	35,908
Loss after tax	-	-	-	-	-	(3,537)	(3,537)	(158)	(3,695)
Other comprehensive loss	-	-	-	(167)	-	-	(167)	(27)	(194)
Total Comprehensive Loss	-	-	-	(167)	-	(3,537)	(3,704)	(185)	(3,889)
Transfer pursuant to Companies Act 2016*	5,097	(5,097)	-	-	-	-	-	-	-
Total transaction with Owners and changes in ownership interests	5,097	(5,097)	-	-	-	-	-	-	-
Balance as at 31.3.2017	18,937	-	(2,512)	709	248	14,312	31,694	325	32,019

Notes:

* Upon the commencement of the Companies Act 2016 (“CA2016”) on 31 January 2017, the amount standing to the credit of the Company's share premium becomes part of the Company's share capital pursuant to Section 618(2) of the CA2016. The Group may use the credit amount of the share premium within twenty-four months upon the commencement of Section 74 of the CA2016.

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2017)

QUARTERLY REPORT FOR THE FIRST QUARTER 2018
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2018**

	Current year-to-date ended 31.3.2018 RM'000	Preceding year-to-date ended 31.3.2017 RM'000
Cash Flows From Operating Activities		
Loss before tax	(501)	(3,695)
Adjustments for:		
Non-cash and non-operating items	922	2,550
Share in profit of equity-accounted associates, net of tax	(99)	(161)
Operating profit/(loss) before working capital changes	<u>322</u>	(1,306)
Decrease in trade and other receivables, deposits and prepayments	6,656	8,385
Decrease in trade and other payables and accruals	(2,899)	(5,563)
Cash generated from operations	<u>4,079</u>	1,516
Net income tax paid	(66)	(515)
Net cash generated from operating activities	<u>4,013</u>	1,001
Cash Flows From Investing Activities		
Expenditure incurred on development expenditure	(532)	(434)
Increase in fixed deposits pledged	(6)	(6)
Proceeds from disposals of plant and equipment	*	-
Purchase of plant and equipment	(56)	(64)
Interest received	24	27
Repayments from associates	1,135	293
Subscription of shares in subsidiary company by non-controlling interest	97	-
Net cash generated from/(used in) investing activities	<u>662</u>	(184)
Cash Flows From Financing Activities		
Interest paid	(11)	(3)
Repayments of term loans	(9)	(8)
Net cash used in financing activities	<u>(20)</u>	(11)
Net increase in Cash and Cash Equivalents	4,655	806
Effects of exchange rate changes	(910)	(203)
Cash and Cash Equivalents at beginning of period	14,221	19,435
Cash and Cash Equivalents at end of period	17,966	20,038
Cash and Cash Equivalents comprised:		
Bank overdrafts	(998)	(491)
Cash and bank balances	18,712	20,413
Fixed deposits with licensed banks	2,073	1,888
Other financial assets	119	116
	<u>19,906</u>	21,926
Less: Fixed deposits pledged	(1,940)	(1,888)
	<u>17,966</u>	20,038

* represents value below RM1,000.

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2017)

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018

The unaudited interim financial report (“the quarterly report”) have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Chapter 9, Part K - Periodic Disclosures of the Listing Requirements of Bursa Malaysia Securities Berhad

PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134: Interim Financial Reporting (“MFRS 134”) issued by the MASB

A1. Basis of preparation

This quarterly report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2017 and the accompanying explanatory notes, which 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 year ended 31 December 2017.

A2. Significant accounting policies

The significant accounting policies and methods of computation applied in preparing the unaudited interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2017 except for the newly-issued MFRS, interpretations and amendments to standards to be applied for the financial periods beginning on or after 1 January 2018:

<u>Standard</u>	<u>Title</u>	<u>Effective date</u>
MFRS 2	Classification and Measurement of share-based payment transactions (Amendments to MFRS 2)	1 January 2018
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers Clarifications to MFRS 15	1 January 2018
MFRS 128	Amendments to MFRS 128	1 January 2018

The adoption of the above-mentioned standards/amendments to standard did not have any significant effects on the interim financial report upon their initial application, other than as disclosed below:

MFRS 9 Financial Instruments

MFRS 9 retains but simplifies the mixed measurement model in MFRS 139 and establishes three primary measurement categories for financial assets: amortised cost, fair value through profit or loss and fair value through other comprehensive income (“OCI”). The basis of classification depends on the entity’s business model and the contractual cash flow characteristics of the financial assets. Investments in equity instruments are always measured at fair value through profit or loss with an irrevocable option at the inception to present changes in fair value in OCI (provided the instrument is not held for trading). A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest.

For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss, unless this creates an accounting mismatch.

There is now a new expected credit losses model (“ECL”) on impairment for all financial assets that replaces the incurred loss impairment model used in MFRS 139. The expected credit losses model is forward looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018

A2. Significant accounting policies (Cont'd)

MFRS 9 Financial Instruments (cont'd)

On the date of initial application, MFRS 9 did not affect the classification and measurement of the Group's financial assets and financial liabilities, except that the Group's allowance for impairment on all trade receivables. The Group applied the simplified approach and calculated expected credit losses based on lifetime expected losses on all the trade receivables.

As permitted by the transitional provisions of MFRS 9, the Group has elected not to restate comparative figures and thus the adjustment was recognised in the opening retained profits of the current reporting period. As a result of applying the ECL on receivables, the Group's opening retained profits has decreased by RM0.75 million as at 1 January 2018.

Summary of the financial impact of adopting MFRS 9 to opening balances is as follows:

1 January 2018

In RM'000	As previously reported	Impact of change in accounting policies Retrospective adjustments MFRS 9	After adjustments
Assets			
Deferred tax assets	587	295	882
Trade receivables	<u>38,710</u>	<u>(1,179)</u>	<u>37,531</u>
Impact to assets	<u>39,297</u>	<u>(884)</u>	<u>38,413</u>
Equity			
Retained profits	17,829	(752)	17,077
Non-controlling interests	<u>1,947</u>	<u>(133)</u>	<u>1,814</u>
Impact to equity	<u>19,776</u>	<u>(885)</u>	<u>18,891</u>

A3. Seasonality or cyclical of interim operations

In general, online advertising activities would pick up during the second half of the calendar year especially towards year end.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group because of their nature, size or incidence.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018

A5. Changes in estimates of amounts reported previously

There were no changes in estimates of amounts reported in prior interim periods or prior financial years that have a material effect in the current financial period.

A6. Issues, repurchases and repayments of debts and equity securities

There were no issuance, cancellations, repurchases, resales and repayments of debt and equity securities, share buy backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current quarter and current year-to-date ended 31 March 2018.

A7. Dividends paid

There were no dividend paid by the Company during the current quarter and current year-to-date ended 31 March 2018.

A8. Segmental information

The Group's core activities are principally for the provision of technology-based online advertising solutions and other internet related services. The segment information is presented in respect of the Group's geographical areas which are based on the Group's management and internal reporting structure.

The Group operates mainly in ten geographical areas as follows:-

- i) Malaysia;
- ii) Singapore;
- iii) Vietnam;
- iv) Indonesia;
- v) Hong Kong and China;
- vi) Philippines;
- vii) Taiwan;
- viii) South Korea;
- (ix) Cambodia; and
- (x) Myanmar.

The segment's financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency.

The assets and liabilities of foreign operations are translated into Ringgit Malaysia at the rates of exchange ruling at the reporting date and income and expenses are translated at the dates of transactions. The exchange differences arising from the translation are taken directly to other comprehensive income. However, if the operation is a non wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interest.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018**A8. Segmental information (Cont'd)**

The principal exchange rates for every unit of foreign currency used are as follows:

	31 March 2018		31 March 2017	
	Closing rate	Average rate	Closing rate	Average rate
	RM	RM	RM	RM
1 Singapore Dollar	2.945	2.976	3.167	3.138
1 Hong Kong Dollar	0.492	0.501	0.570	0.573
1 Chinese Renminbi	0.615	0.617	0.642	0.643
1 US Dollar	3.864	3.925	-	-
100 Indonesian Rupiah	0.028	0.029	0.033	0.030
100 Thai Baht	-	12.438	-	12.660
100 Philippines Peso	7.407	7.625	8.810	8.890
100 Vietnamese Dong	0.017	0.017	0.019	0.020
100 New Taiwan Dollar	13.297	13.396	14.570	14.300
100 South Korean Won	0.364	0.366	-	-

QUARTERLY REPORT FOR THE FIRST QUARTER 2018
A8. Segmental information (Cont'd)
Current year-to-date ended 31 March 2018
Operating Segments

	Malaysia RM'000	Singapore RM'000	Vietnam RM'000	Indonesia RM'000	Hong Kong and China RM'000	Philippines RM'000	Taiwan RM'000	South Korea RM'000	Cambodia RM'000	Myanmar RM'000	Inter- segment eliminations RM'000	Group RM'000
<u>Revenue</u>												
Revenue from external customers	8,986	2,963	593	1,810	6,102	2,878	785	34	16	353	-	24,520
Inter-segment revenue	894	-	19	6	-	14	-	4	-	-	(937)	-
Total revenue	9,880	2,963	612	1,816	6,102	2,892	785	38	16	353	(937)	24,520
<u>Segment Results</u>												
Results from operating activities	(638)	(320)	(69)	182	546	248	(278)	(103)	(57)	(61)	(39)	(589)
Finance costs	(12)	(7)	(15)	-	-	(2)	(14)	-	-	-	39	(11)
Share in profit of equity- accounted associates, net of tax	99	-	-	-	-	-	-	-	-	-	-	99
(Loss)/Profit before tax	(551)	(327)	(84)	182	546	246	(292)	(103)	(57)	(61)	-	(501)
Income tax expense	(340)	-	-	(9)	(88)	(37)	-	-	-	14	-	(460)
(Loss)/Profit after tax	(891)	(327)	(84)	173	458	209	(292)	(103)	(57)	(47)	-	(961)
Non-controlling interests	18	-	16	(84)	(93)	(11)	58	5	-	-	-	(91)
(Loss)/Profit attributable to Owners of the Company	(873)	(327)	(68)	89	365	198	(234)	(98)	(57)	(47)	-	(1,052)
<u>Assets</u>												
Segment assets	42,906	5,076	2,502	6,987	10,555	7,217	3,332	825	37	3,011	(17,659)	64,789
<u>Liabilities</u>												
Segment liabilities	14,430	2,534	3,204	4,120	6,030	3,981	5,732	339	158	2,823	(12,289)	31,062

QUARTERLY REPORT FOR THE FIRST QUARTER 2018
A8. Segmental information (Cont'd)
Current year-to-date ended 31 March 2018 (cont'd)
Operating Segments (cont'd)

	Singapore SGD'000	Vietnam VND'Mil	Indonesia IDR'Mil	Hong Kong HKD'000	China CNY'000	Philippines PHP'000	Taiwan TWD'000	South Korea KRW'000	Cambodia USD'000	Myanmar USD'000
<u>Revenue</u>										
Revenue from external customers	996	3,488	6,242	12,143	30	37,741	5,862	9,344	4	90
Inter-segment revenue	-	109	21	-	-	182	3	1,151	-	-
Total revenue	996	3,597	6,263	12,143	30	37,923	5,865	10,495	4	90
<u>Segment Results</u>										
Results from operating activities	(107)	(404)	627	1,108	(15)	3,257	(2,078)	(28,105)	(14)	(15)
Finance costs	(2)	(90)	(2)	-	-	(28)	(103)	-	-	-
Share in profit of equity-accounted associates, net of tax	-	-	-	-	-	-	-	-	-	-
(Loss)/Profit before tax	(109)	(494)	625	1,108	(15)	3,229	(2,181)	(28,105)	(14)	(15)
Income tax expense	-	-	(32)	(175)	-	(479)	-	-	-	4
(Loss)/Profit after tax	(109)	(494)	593	933	(15)	2,750	(2,181)	(28,105)	(14)	(11)
Non-controlling interests	-	94	(290)	(187)	-	(138)	436	1,407	-	-
(Loss)/Profit attributable to Owners of the Company	(109)	(400)	303	746	(15)	2,612	(1,745)	(26,698)	(14)	(11)
<u>Assets</u>										
Segment assets	1,724	14,716	24,952	20,720	588	97,434	25,059	226,529	9	779
<u>Liabilities</u>										
Segment liabilities	860	18,849	14,714	11,109	917	53,743	43,107	93,173	41	730

QUARTERLY REPORT FOR THE FIRST QUARTER 2018
A8. Segmental information (Cont'd)
Preceding year-to-date ended 31 March 2017
Operating Segments (cont'd)

	Malaysia RM'000	Singapore RM'000	Vietnam RM'000	Indonesia RM'000	Hong Kong and China RM'000	Philippines RM'000	Taiwan RM'000	Inter- segment eliminations RM'000	Group RM'000
<u>Revenue</u>									
Revenue from external customers	8,640	3,721	315	1,761	6,159	1,504	491	-	22,591
Inter-segment revenue	1,184	(105)	-	75	48	37	-	(1,239)	-
Total revenue	9,824	3,616	315	1,836	6,207	1,541	491	(1,239)	22,591
<u>Segment Results</u>									
Results from operating activities	(1,261)	607	(217)	(89)	(2,178)	(312)	(381)	(22)	(3,853)
Finance costs	(3)	(3)	(11)	(2)	(1)	(1)	(4)	22	(3)
Share in profit of equity-accounted associates, net of tax	161	-	-	-	-	-	-	-	161
(Loss)/Profit before tax	(1,103)	604	(228)	(91)	(2,179)	(313)	(385)	-	(3,695)
Income tax expense	-	-	-	-	-	-	-	-	-
(Loss)/Profit after tax	(1,103)	604	(228)	(91)	(2,179)	(313)	(385)	-	(3,695)
Non-controlling interests	30	-	47	5	(1)	-	77	-	158
(Loss)/Profit attributable to Owners of the Company	(1,073)	604	(181)	(86)	(2,180)	(313)	(308)	-	(3,537)
<u>Assets</u>									
Segment assets	38,417	6,183	2,885	7,256	9,150	8,526	1,853	(14,310)	59,960
<u>Liabilities</u>									
Segment liabilities	11,859	2,633	3,193	4,391	7,578	4,038	3,726	(9,477)	27,941

QUARTERLY REPORT FOR THE FIRST QUARTER 2018
A8. Segmental information (Cont'd)
Preceding year-to-date ended 31 March 2017 (cont'd)
Operating Segments (cont'd)

	Singapore SGD'000	Vietnam VND'Mil	Indonesia IDR'Mil	Hong Kong HKD'000	China CNY'000	Philippines PHP'000	Taiwan TWD'000
<u>Revenue</u>							
Revenue from external customers	1,186	1,576	5,871	10,748	-	16,914	3,433
Inter-segment revenue	(34)	-	252	83	-	422	-
Total revenue	1,152	1,576	6,123	10,831	-	17,336	3,433
<u>Segment Results</u>							
Results from operating activities	194	(1,084)	(298)	(3,760)	(38)	(3,509)	(2,663)
Finance costs	(1)	(54)	(7)	(1)	-	(17)	(30)
Share in profit of equity-accounted associates, net of tax	-	-	-	-	-	-	-
Profit/(Loss) before tax	193	(1,138)	(305)	(3,761)	(38)	(3,526)	(2,693)
Income tax expense	-	-	-	-	-	(4)	-
Profit/(Loss) after tax	193	(1,138)	(305)	(3,761)	(38)	(3,530)	(2,693)
Non-controlling interests	-	233	16	(1)	-	-	541
Profit/(Loss) attributable to Owners of the Company	193	(905)	(289)	(3,762)	(38)	(3,530)	(2,152)
<u>Assets</u>							
Segment assets	1,953	14,877	21,846	15,279	700	96,780	12,719
<u>Liabilities</u>							
Segment liabilities	832	16,464	13,220	12,235	949	45,831	25,573

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018

A9. Valuation of property, plant and equipment

There were no valuation of property, plant and equipment in the current quarter and current year-to-date ended 31 March 2018.

A10. Material events subsequent to the end of the current quarter that have not been reflected in this quarterly report

There were no material events subsequent to the end of the current quarter.

A11. Effects of changes in the composition of the Group for the current year-to-date

(a) Acquisitions of equity interests by non-controlling interest in Innity Korea Co., Ltd

On 22 February 2018, Innity Korea Co., Ltd (“Innity Korea”), a direct wholly-owned subsidiary company of Innity Sdn Bhd (“ISB”), which is also an indirect wholly-owned subsidiary company of the Company, issued additional 5,333 new ordinary shares with total capital contribution of KRW26,666,500 (*or equivalent to RM96,533 at the exchange rate of KRWI: RM0.00362*). The entire new issuance were subscribed by a South Korean Company via a cash consideration of KRW26,666,500.

Arising from the above acquisition, the Company's effective equity interest in shares of Innity Korea is diluted from 100% to 90%.

Saved as disclosed above, there were no changes in the composition of the Group in the current quarter and current year-to-date ended 31 March 2018 under review.

A12. Changes in contingent liabilities or contingent assets

The Directors are of the opinion that the Group has no contingent liabilities or contingent assets which, upon crystallisation would have a material impact on the financial position and business of the Group as at reporting date.

A13. Significant unrecognised contractual commitments

The Group has no material contractual capital commitments in respect of property, plant and equipment.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018**A14. Significant related party transactions**

The following were the significant related party transactions: -

	Current year-to-date ended 31.3.2018 RM	Preceding year-to-date ended 31.3.2017 RM
Sales of advertisement space	262,687	19,294
Purchase of advertisement space	33,420	17,908
Purchase of online recruitment services	903	1,201
Bookkeeping fees	3,000	3,000
Royalty fees	49,615	57,931
Referral fees in relation to sales of advertisement spaces	-	413,450
Management fees in relation to backend support staff costs which include Corporate Strategy, Finance, Business Development, Operation and Creative team based on time allocation of each individual	38,362	57,345

The above transactions had been entered into the ordinary course of business on normal commercial terms and not materially different from those obtainable in transactions with unrelated parties.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018
PART B - Explanatory Notes Pursuant to Chapter 9, Part K - Periodic Disclosures, Part A of Appendix 9B, of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities")
B1. Performance analysis of the Group for the current quarter and year-to-date

The Group's review of financial performance are analysed as follows:

	Current quarter ended 31.3.2018 RM'000	Comparative quarter ended 31.3.2017 RM'000	% change	Current year-to-date ended 31.3.2018 RM'000	Preceding year-to-date ended 31.3.2017 RM'000	% change
Overall performance analysis						
Revenue	24,520	22,591	9%	24,520	22,591	9%
Loss from operations	(589)	(3,853)	85%	(589)	(3,853)	85%
Finance costs	(11)	(3)	(267%)	(11)	(3)	(267%)
Share of profit of equity-accounted associates, net of tax	99	161	(39%)	99	161	(39%)
Loss before tax	(501)	(3,695)	86%	(501)	(3,695)	86%
Loss after tax	(961)	(3,695)	74%	(961)	(3,695)	74%
Loss attributable to Owners of the Company	(1,052)	(3,537)	70%	(1,052)	(3,537)	70%

Current Year-To-Date ("3M18") compared with Preceding Year-To-Date ("3M17")
(i) Group's overview of Revenue, Gross Profit and Profit Before Tax

The Group registered total revenue of RM24.52 million in 3M18, representing an increase of RM1.93 million or 9% compared with RM22.59 million in 3M17. The increase in revenue was mainly contributed by Malaysia, followed by Taiwan, Vietnam, Philippines, Indonesia coupled with new contributions from South Korea, Cambodia and Myanmar segments which had begun their operations in second quarter and fourth quarter of year 2017 respectively. The loss before tax ("LBT") was greatly reduced as compared with 3M17 by RM3.20 million or 86%, primarily due to the absent on allowance of doubtful debts owing by LeSports HK and savings in staff costs for 3M18.

(ii) Group's overview of Other Income and Operating Expenses
Other income

Other income dropped by RM0.03 million or 14% from RM0.25 million in 3M17 to RM0.22 million in 3M18. The decline in other income was mainly attributed to lower realised and unrealised foreign exchange gains.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018

B1. Performance analysis of the Group for the current quarter and year-to-date (Cont'd)

Current Year-To-Date ("3M18") compared with Preceding Year-To-Date ("3M17") (Cont'd)

(ii) Group's overview of Other Income and Operating Expenses (cont'd)

Operating expenses

The Group's other operating expenses consist of staff costs, amortisation and depreciation costs, selling and distribution costs and administration expenses.

The operating expenses reduced by RM2.82 million or 20% from RM13.89 million in 3M17 to RM11.07 million in 3M18. The decrease in operating expenses was primarily impacted by lower staff costs, absent on allowance of doubtful debts owing by LeSports HK after offsetting with unfavourable foreign exchange losses recorded in 3M18.

(iii) Group's overview of Liquidity and Financial Ratio

The Group's principal sources of liquidity are cash from operations and borrowings including overdraft and term loans.

The following summarises the various sources of cash flows as at 31 March 2018 against 31 March 2017:

	Current year- to-date ended 31 March 2018 <u>RM'000</u>	Preceding year- to-date ended 31 March 2017 <u>RM'000</u>
Net cash generated from/(used in)		
- Operating activities	4,013	1,001
- Investing activities	662	(184)
- Financing activities	(20)	(11)
- Exchange difference	(910)	(203)
Net increase in cash and cash equivalents	3,745	603

The Group has cash and cash equivalents amounting to RM17.97 million as at 31 March 2018 as compared with RM20.04 million as at 31 March 2017. The debts to equity ratio had slightly increased from 0.021 to 0.035.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018
B1. Performance analysis of the Group for the current quarter and year-to-date (Cont'd)

Current Quarter ("1Q18") compared with Comparative Quarter of Preceding Year ("1Q17")

(i) Group's overview of Operating Segments

	Revenue		% change	(Loss)/Profit before tax		
	Current quarter ended 31.3.2018 RM'000	Comparative quarter ended 31.3.2017 RM'000		Current quarter ended 31.3.2018 RM'000	Comparative quarter ended 31.3.2017 RM'000	% change
Operating segments						
- Malaysia	8,986	8,640	4%	(551)	(1,103)	50%
- Singapore	2,963	3,721	(20%)	(327)	604	(154%)
- Vietnam	593	315	88%	(84)	(228)	63%
- Indonesia	1,810	1,761	3%	182	(91)	300%
- Hong Kong and China	6,102	6,159	(1%)	546	(2,179)	125%
- Philippines	2,878	1,504	91%	246	(313)	179%
- Taiwan	785	491	60%	(292)	(385)	24%
- South Korea	34	-	100%	(103)	-	(100%)
- Cambodia	16	-	100%	(57)	-	(100%)
- Myanmar	353	-	100%	(61)	-	(100%)
	24,520	22,591	9%	(501)	(3,695)	86%

Malaysia segment recorded a revenue of RM8.99 million in 1Q18, an increase of RM0.35 million or 4% from revenue in 1Q17 of RM8.64 million. The marginal growth in revenue was due to greater sales generated from existing clientele. The segment's LBT reduced by RM0.55 million or 50% from RM1.10 million in 1Q17 to RM0.55 million in 1Q18, mainly due to higher margin campaign awarded in 1Q18 and savings in staff costs after offsetting the foreign exchange losses incurred.

Singapore segment in 1Q18 posted revenue and LBT of RM2.96 million and RM0.33 million respectively, compared with revenue of RM3.72 million and profit before tax ("PBT") of RM0.60 million in the 1Q17, representing 20% decrease in revenue and 154% reduce in profit. The segment is in the process of strengthening their service level to its clientele, where we expect to expand our market share in the long term. The LBT was in tandem with the drop in revenue and lower margin campaigns awarded.

For the 1Q18, Vietnam segment registered a revenue of RM0.59 million and LBT of RM0.01 million compared with RM0.32 million in revenue and LBT of RM0.23 million in 1Q17. The segment gradually benefited from the implementation of new sales strategies and achieved a positive contribution to this segment. Nevertheless, Vietnam segment is still undergoing extensive training to equip the new sales team with existing and new product knowledge to service all its clienteles, which we believe will regain the local market share. The improvement in LBT was in tandem with the increase in revenue.

In 1Q18, Indonesia segment recorded revenue and PBT of RM1.81 million and RM0.18 million respectively, as compared to RM1.76 million in revenue and LBT of RM0.09 million in 1Q17, representing a slight improvement of RM0.05 million or 3% in revenue and RM0.27 million or 300% increase in PBT. The revenue grew steadily with repeated orders from existing clientele and the improvement in PBT was due to better margin campaigns awarded and savings from operating costs.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018

B1. Performance analysis of the Group for the current quarter and year-to-date (Cont'd)

Current Quarter ("1Q18") compared with Comparative Quarter of Preceding Year ("1Q17") (Cont'd)

(i) Group's overview of Operating Segments (cont'd)

Hong Kong and China segment recorded revenue of RM6.10 million and PBT of RM0.55 million in 1Q18 as compared with revenue of RM6.16 million and LBT of RM2.18 million in 1Q17, representing a decline of RM0.06 million or 1% in revenue and a surge of RM2.73 million or 125% in PBT. The turnaround from LBT to PBT was due to the absence of allowance of doubtful debts owing by LeSports HK which was provided in 1Q17. China segment revenue and PBT did not contribute significantly to the Group's result as a whole and it remains challenging as the segment is experiencing a transitional period in the process of revising its business strategy and streamlining operations by minimising costs.

Philippines segment achieved a significant improvement in revenue and PBT for 1Q18 at RM2.88 million and RM0.25 million respectively as compared with revenue of RM1.50 million and LBT of RM0.31 million in 1Q17, representing an increase of 91% in revenue and 179% in PBT. The increase in revenue is in line with the restructuring effort on sales strategy adopted since previous quarters which has regained the market share from existing clientele. The increase in PBT was in tandem with the higher revenue generated.

Taiwan segment's revenue had increased by RM0.30 million or 60% from RM0.49 million to RM0.79 million and recorded a LBT of RM0.29 million in 1Q18 as compared with LBT of RM0.39 million in 1Q17. This encouraging result was attributable to the increased digital advertising spending from existing clientele coupled with additional revenue from new clientele. A slightly better result recorded in LBT was mainly contributed from the savings in staff costs.

For the South Korea, Cambodia and Myanmar segments, since their operations only began in second quarter and fourth quarter of year 2017, therefore, there is no comparable figures for the current quarter.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018

B2. Commentary on current quarter compared with immediate preceding quarter

The Group's review of financial performance are analysed as follows:

	Current quarter ended 31.3.2018 RM'000	Immediate preceding quarter ended 31.12.2017 RM'000	% change
Overall performance analysis			
Revenue	24,520	27,720	(12%)
(Loss)/Profit from operations	(589)	5,338	(111%)
Finance costs	(11)	(15)	27%
Share in profit of equity-accounted associates, net of tax	99	60	65%
(Loss)/Profit before tax	(501)	5,383	(109%)
(Loss)/Profit after tax	(961)	5,040	(119%)
(Loss)/Profit attributable to Owners of the Company	(1,052)	4,691	(122%)

For 1Q18, the Group's revenue dropped by RM3.20 million or 12% from RM27.72 million in 4Q17 to RM24.52 million in 1Q18. The lower revenue was due to the cyclical nature of the business whereby sales in the first half of the calendar year is normally slower but it is expected to improve in the second half of the year.

The Group recorded LBT of RM0.50 million in 1Q18 as compared with PBT of RM5.38 million in 4Q17. The decrease in revenue and lower product margin had consequently led to drop in PBT by 109%.

B3. Commentary on current year prospects and progress on previously announced revenue or profit forecast

(a) Prospects for the financial year ended 31 December 2018

Due to the volatility of current economic and foreign exchange situation in the global market, the Board is cautious in its business outlook in the medium term. However, in the longer term, the Board remains optimistic and will continue to innovate and deliver effective data-driven online marketing ad solutions. The solutions will mainly focus on content marketing and programmatic solutions to help advertisers engage with their audience, improve targeting, and ROI for their campaigns.

Additionally, we will continue to focus on pushing our services across the region with a particular focus on Malaysia, Hong Kong, Philippines, Indonesia, and Singapore. Also, in line with our commitment to deliver top-notch results to our clients, we expect to improve our content marketing solutions by developing our influencer platform to help brands connect with the right influencer and share compelling brand stories.

(b) Progress and steps to achieve revenue or profit estimate, forecast, projection or internal targets previously announced

There was no revenue or profit forecast previously announced by the Company.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018

B4. Statement of the Board of Directors' opinion on achievability of revenue or profit estimate, forecast, projection and internal targets previously announced

There was no revenue or profit forecast previously announced by the Company.

B5. Profit forecast/profit guarantee previously announced

There was no profit forecast or profit guarantee previously announced by the Company.

B6. Loss before tax

		Current quarter ended 31.3.2018 RM'000	Comparative quarter ended 31.3.2017 RM'000	Current year-to-date ended 31.3.2018 RM'000	Preceding year-to-date ended 31.3.2017 RM'000
Loss before tax is arrived at after charging:	Note				
Amortisation of development expenditure	(i)	399	341	399	341
Allowance for doubtful debts	(i)	327	2,192	327	2,192
Depreciation	(i)	136	121	136	121
Interest expense					
- bank overdraft	(i)	8	-	8	-
- term loans	(i)	3	3	3	3
Loss on foreign exchange					
- realised		316	126	316	126
- unrealised	(i)	468	151	468	151
Retirement benefits	(i)	29	-	29	-
And (crediting):					
Allowance for doubtful debts no longer required	(i)	(320)	(65)	(320)	(65)
Gain on disposal of plant and equipment	(i)	*	-	*	-
Gain on foreign exchange					
- realised		*	(8)	*	(8)
- unrealised	(i)	(104)	(166)	(104)	(166)
Interest income	(i)	(24)	(27)	(24)	(27)
Other income					
- miscellaneous		(88)	(49)	(88)	(49)

(i) represents non-cash and operating items for Statements of Cash Flows.

* represents value below RM1,000.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018
B7. Tax expense

	Current quarter ended 31.3.2018 RM'000	Comparative quarter ended 31.3.2017 RM'000	Current year-to- date ended 31.3.2018 RM'000	Preceding year-to- date ended 31.3.2017 RM'000
In respect of the current year				
Outside Malaysia	120	-	120	-
Under/(Over) provision in respect of prior years				
Malaysian income tax	305	-	305	-
Deferred taxation	35	-	35	-
Tax expense	460	-	460	-

There was no tax provision provided for Malaysia segment in current quarter due to loss results recorded in 3M18. However, for Indonesia, Hong Kong, Philippines and Myanmar segments, a tax provision is recorded based on current year's income tax rate.

B8. Borrowings and debt securities as at the end of the reporting period

The Group's borrowings and debt securities at the end of the current year-to-date, denominated in Ringgit Malaysia are as follows:

(a) Borrowings

	Non-current RM'000	Current RM'000	Total RM'000
As at 31.3.2018			
Secured			
Bank overdrafts	-	998	998
Term loans	97	30	127
	97	1,028	1,125
As at 31.12.2017			
Secured			
Bank overdrafts	-	986	986
Term loans	106	30	136
	106	1,016	1,122

(b) Commentaries on the Group borrowings and debt securities

During the current year-to-date ended 31 March 2018, there were no material changes in debts and borrowings except repayment of term loans and increase the utilisation of bank overdrafts for working capital purposes.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018

B9. Changes in material litigation

As at 17 May 2018 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report), saved as disclosed below, the Group was not engaged in any material litigation, claims nor arbitration either as plaintiff or defendant and the Directors are not aware of any proceeding pending or threatened against the Group or of any facts likely to give rise to any proceeding which might materially and adversely affect the financial position or business operations of the Group.

(a) Claims made by Innity China Co., Limited (“ICCL”) (the “Plaintiff”) against LETV Sports Culture Develop (HK) Company Limited (“LeSports HK”) (the “Defendant”)

The Company had on 11 May 2017 announced that ICCL, a subsidiary of the Company, had on 4 May 2017, via its solicitors, Messrs. Chau & Associates, filed a Writ of Summons and Statement of Claim and Mediation Certificate in the High Court of the Hong Kong Special Administrative Region at Hong Kong against LeSports HK (“the Defendants”) for the claim sum of HK\$3,849,755.55 in respect of outstanding advertising fees for services provided by ICCL. ICCL is also claiming interest on overdue advertising fees and costs of the litigation action against the Defendants. A sum of HK\$3,849,755.55 doubtful debts was provided in the 1st quarter 2017.

ICCL had on 16 June 2017 received an offer letter together with HKD515,000 settlement amount from LeSports HK, inclusive of HKD15,000 legal cost. The amount of HKD500,000 write back of trade receivable was effected in the quarter.

Subsequently, ICCL entered into a settlement agreement with LeSports HK which recorded the full and final settlement of ICCL claim on 19 June 2017. The said settlement is to be made over 3 installments: -

- (i) a sum of HKD515,000, inclusive of HKD15,000 legal costs, which was paid by LeSports HK by way of a cheque dated 15 June 2017(received on 16 June 2017);
- (ii) a sum of HKD1,674,877.78 of the outstanding sum to be paid by LeSports HK on or before 31 August 2017; and
- (iii) the balance of the outstanding sum in the sum of HKD1,674,877.78 to be paid by LeSports HK on or before 30 September 2017.

Within 3 working days from receiving payment under (iii) above, ICCL shall cause its solicitors to take all necessary steps to discontinue this litigation action, which includes the service of notice of discontinuance on LeSports HK.

Subject to and conditional upon the fulfilment of payment obligations under item (ii) and (iii) above by LeSports HK, ICCL undertakes to withhold further proceedings, and withhold from giving further instructions to its solicitors to proceed with this litigation action.

On 5 September 2017, LeSports HK had failed to perform their payment obligations in accordance with Clause 1(b) of the settlement agreement which stipulates that a sum of HKD1,674,877.78 of the Outstanding Sum to be paid by LeSports HK on or before 31 August 2017.

LeSports HK had subsequently requested and ICCL had consented to give an extension of time until 30 September 2017 to fully settle the balance of the Outstanding Sum amounting to HKD3,349,755.55.

However, on 2 October 2017, LeSports HK had also failed to perform their payment obligations in accordance with Clause 1(a) and (b) of the settlement agreement which stipulate that the balance of the Outstanding Sum amounting to HKD3,349,755.55 is supposed to be fully settled on or before 30 September 2017.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018

B9. Changes in material litigation (Cont'd)

(a) Claims made by Innity China Co., Limited (“ICCL”) (the “Plaintiff”) against LETV Sports Culture Develop (HK) Company Limited (“LeSports HK”) (the “Defendant”) (cont'd)

Accordingly, the Company had on 17 October 2017 further announced that ICCL, had on 16 October 2017, via its solicitors, Messrs. Chau & Associates, re-filed a Writ of Summons and Amended Statements of Claim in the High Court of the Hong Kong Special Administrative Region at Hong Kong against LeSports HK.

The particulars of the Amended Statement of Claim under the Writ of Summons (“the Writ”) are as follows:

- (i) Repayment of the debt sum HK\$3,349,755.55 (after taking into account the partial settlement of HK\$500,000 by LeSports HK on the 15 June 2017);
- (ii) Interest pursuant to Section 48 and 49 of the High Court Ordinance of the Hong Kong Special Administrative Region, Cap.4 on any and all sums found to be due to it at such rate and for such periods as the Court deems fit and proper (the amount claimed is not stated in the Writ);
- (iii) Costs of this litigation action; and
- (iv) Further and other relief as the Court deems fit.

On 28 October 2017, LeSports HK after having acknowledged the service of ICCL's Writ of Summons, had on 29 November 2017, via its solicitors, Messrs. K&L Gates, filed an application for an Order in the High Court of the Hong Kong Special Administrative Region that the Defendant's obligation to file and serve its Defence to Counterclaim (if any) be extended for 28 days from the date of the order to be made.

Subsequently, on 2 January 2018, LeSports HK filed another application for an Order in the High Court of the Hong Kong Special Administrative Region via its solicitors, Messrs. K&L Gates that: -

- (i) The time for the Defendant to file and serve its Defence and Counterclaim (if any) pursuant to the Order of Master S.Lo dated 5 December 2017 be extended for 28 days from the date of the order to be made therein; and
- (ii) Costs of the application be charged to the Plaintiff.

The hearing of the above application on the part of the Defendant had been fixed on 8 January 2018.

ICCL and LeSports HK had on 5 January 2018, via their respective solicitors, Messrs. Chau & Associates and Messrs. K&L Gates, jointly filed an application for an Order (Consent Summons) in the High Court of the Hong Kong Special Administrative Region (“the Court”) that: -

- (i) Unless by 4.00 p.m. on 5 February 2018 the Defendant do file and serve its Defence and Counterclaims (if any), the Defendant be debarred from doing the same and the Plaintiff be at liberty to apply for judgment to be entered against the Defendant with costs;
- (ii) The hearing of the Defendant's summons (the "Defendant's Summons") dated 2 January 2018 scheduled before Master Gary C C Lam on 8 January 2018 at 2.30 p.m. be vacated; and
- (iii) Costs of the Defendant's Summons and its application agreed at HK\$1,040 be paid by the Defendant to the Plaintiff.

The above Order was consented by the Court on the 8 January 2018.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018

B9. Changes in material litigation (Cont'd)

(a) Claims made by Innity China Co., Limited (“ICCL”) (the “Plaintiff”) against LETV Sports Culture Develop (HK) Company Limited (“LeSports HK”) (the “Defendant”) (cont'd)

On 5 February 2018, LeSports HK via its solicitors, Messrs. K&L Gates, filed and served its Defence in the High Court of the Hong Kong Special Administrative Region against ICCL’s Amended Statement of Claim dated on 16 October 2017.

Accordingly, ICCL had caused its solicitors to take all necessary steps to continue this litigation action including the application for summary judgement, and any further material development of the matter will be announced in due course.

Subsequently, on 6 February 2018, ICCL and LeSports HK, via their respective solicitors, Messrs. Chau & Associates and Messrs. K&L Gates, jointly filed an application for an Order (Consent Order) in the High Court of the Hong Kong Special Administrative Region that all proceedings be stayed except for the purpose of carrying out the Consent Order and the agreed terms set forth thereto:

- (i) That the Defendant do pay the Plaintiff the sum of HK\$3,349,755.55 [the "Settlement Sum"] (inclusive of interest) in full and final settlement of the Plaintiff's claim in the following manner:
 - (a) HK\$500,000.00 on 5 February 2018 (received on 5 February 2018);
 - (b) HK\$1,424,878.00 on 15 March 2018; and
 - (c) HK\$1,424,877.55 on 15 April 2018.
- (ii) That Defendant do pay the Plaintiff's costs of this action from 16 June 2017 up to the date hereof on a party-and-party basis to be taxed, if not agreed; and
- (iii) That upon payment of the Settlement Sum including the payment of costs as aforesaid, the Plaintiff shall apply for leave to withdraw this action with no order as to costs and the Defendant shall give its respective consent to such application.

On 12 March 2018, LeSports HK had been issued with a winding-up petition by two listed applicants, namely MP & Silva Pte and Media Partners & Silva. Their first hearing for the present winding-up action has been scheduled on 16 May 2018.

Due to this petition, LeSports HK would not perform its payment obligations in accordance with Schedule 1(b) and (b) of the Consent Order dated 6 February 2018 until the petition is withdrawn.

Accordingly, ICCL had caused its solicitors to take all necessary steps to deal with this litigation.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2018**B10. Dividends**

There is no dividend declared for the current quarter or the current year-to-date ended 31 March 2018.

B11. Loss Per Share (“LPS”) attributable to Owners of the Company

	Current quarter ended 31.3.2018	Comparative quarter ended 31.3.2017	Current year-to-date ended 31.3.2018	Preceding year-to-date ended 31.3.2017
Basic loss per share				
Loss attributable to Owners of the Company (RM'000)	(1,052)	(3,537)	(1,052)	(3,537)
Weighted average number of ordinary shares in issue ('000)	138,403	138,403	138,403	138,403
Basic LPS (sen)	(0.76)	(2.56)	(0.76)	(2.56)

Diluted earnings/(loss) per share is not computed as the Company does not have any convertible financial instruments as at 31 March 2018.

B12. Audit report of preceding annual financial statements

The audit report of the Group's annual financial statements for the preceding year were not subject to any qualification.

B13. Status of corporate proposals

There were no corporate proposals announced but not yet completed as at 17 May 2018 (being the date not earlier than 7 days before the date of this announcement).

B14. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with the Board of Directors' meeting held on 24 May 2018.

By Order of the Board

Phang Chee Leong
Executive Chairman

24 May 2018