

IDIMENSION CONSOLIDATED BHD (925990-A)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUN 2018**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		2018 (Unaudited)	2017 (Unaudited)	2018 (Unaudited)	2017 (Unaudited)
		CURRENT QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	18 MONTHS TO DATE	PRECEDING 18 MONTHS CORRESPONDING PERIOD TO DATE
		30/6/2018 RM'000	30/6/2017 RM'000	30/6/2018 RM'000	30/6/2017 RM'000
Revenue	B 1	(41,741)	23,341	21,858	N/A
Cost of sales		41,766	(22,132)	(15,597)	N/A
Gross profit		25	1,208	6,261	N/A
Other income		784	93	1,112	N/A
Administration expenses		1,652	(1,805)	(24,633)	N/A
Loss on deconsolidation		(580)	-	-	N/A
Finance costs		(92)	(86)	(499)	N/A
Profit / (Loss) before taxation	B 2	1,789	(590)	(17,759)	N/A
Taxation	B 5	167	(31)	(683)	N/A
Profit / (Loss) for the financial period		1,956	(621)	(18,443)	N/A
Other comprehensive profit / (loss)		(68)	(208)	(160)	N/A
Total comprehensive profit / (loss) for the financial period		1,888	(829)	(18,603)	N/A
Profit / (Loss) attributable to:					
Owners of the company		1,956	(621)	(18,443)	N/A
Non-controlling interest		-	-	-	N/A
		1,956	(621)	(18,443)	N/A
Total comprehensive profit / (loss) attributable to:					
Owners of the company		1,888	(829)	(18,603)	N/A
Non-controlling interest		-	-	-	N/A
		1,888	(829)	(18,603)	N/A
Weighted average number of shares in issue ('000)		543,924	494,924	543,924	N/A
Earnings per share (sen) - basic	B 10	0.36	(0.13)	(3.39)	N/A
- diluted	B 10	0.36	(0.13)	(3.39)	N/A

Note 1:

Due to the change in the financial year ended from 31 Dec 2017 to 30 Jun 2018, there were no comparative financial information available for the 18 months financial period ended 30 June 2018.

The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to this interim financial report.

IDIMENSION CONSOLIDATED BHD (925990-A)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

	Note	(Unaudited) AS AT 30/06/2018 RM'000	(Audited) AS AT 31/12/2016 RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment		12,242	12,634
Investment property		140	146
Intangible assets		-	23,326
Investment		9,026	-
		<u>21,408</u>	<u>36,106</u>
Current Assets			
Inventories		73	174
Trade and other receivables		12,042	18,621
Current tax assets		407	920
Cash and bank balances		9,572	8,310
		<u>22,094</u>	<u>28,025</u>
TOTAL ASSETS		<u>43,502</u>	<u>64,131</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital		21,233	49,492
Share premium		-	3,556
Exchange translation reserve		599	759
Capital reduction reserve		35,000	-
Accumulated losses		(24,095)	(5,652)
TOTAL EQUITY		<u>32,737</u>	<u>48,155</u>
LIABILITIES			
Non-current Liabilities			
Borrowings	B 7	6,384	7,196
Deferred tax liabilities		-	-
		<u>6,384</u>	<u>7,196</u>
Current Liabilities			
Trade and other payables		4,261	7,940
Borrowings	B 7	-	826
Current tax liabilities		120	14
		<u>4,381</u>	<u>8,780</u>
TOTAL LIABILITIES		<u>10,765</u>	<u>15,976</u>
TOTAL EQUITY AND LIABILITIES		<u>43,502</u>	<u>64,131</u>
Net assets per share attributable to owners of the Company (RM)		0.15	0.10

Note:

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to this interim financial report.

IDIMENSION CONSOLIDATED BHD (925990-A)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018

-----Attributable to the Owners of the Company-----

	---Non-distributable---			Distributable		Total
	Issued Capital	Share Premium	Exchange translation reserve	Capital Reduction reserve	Accumulated Losses	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as of 1 January 2017	49,492	3,556	759	-	(5,652)	48,155
Issuance new ordinary shares	3,185	-	-	-	-	3,185
Conversion from share premium to share capital	3,556	(3,556)	-	-	-	-
Capital reduction	(35,000)	-	-	35,000	-	-
Profit / (Loss) for the financial period	-	-	-	-	(18,443)	(18,443)
Foreign currency translations, net of tax	-	-	(160)	-	-	(160)
Total comprehensive profit / (loss) for the period	-	-	(160)	-	(18,443)	(18,603)
Balance as at 30 June 2018	<u>21,233</u>	<u>-</u>	<u>599</u>	<u>35,000</u>	<u>(24,095)</u>	<u>32,737</u>

Note:

Due to the change in the financial year ended from 31 December 2017 to 30 June 2018, there were no comparative financial information available for the 18 months financial period ended 30 June 2018.

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to this interim financial report.

IDIMENSION CONSOLIDATED BHD (925990-A)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018**

	(Unaudited)	(Audited)
	18 Months	12 Months
	Ended	Ended
	30/6/2018	31/12/2016
	RM'000	RM'000
Cash Flows from Operating Activities		
Profit/(Loss) before tax	(17,759)	1,129
Adjustment for:		
Depreciation of property, plant & equipment	599	250
Product development cost written off	-	8
Impairment loss on product development cost	-	531
Amortisation of development costs	16	857
Amortisation of investment properties	5	3
Interest income	(238)	(2)
Interest expenses	499	142
Unrealised (gain) / loss on foreign exchange currency	29	(366)
Deposit written off	20	-
Impairment loss on trade receivables	6	-
Reversal of impairment loss on trade receivables	(39)	(1,835)
Property, plant & equipment write-off	-	-
Gain on disposal of PPE	(95)	-
FV adjustment for financial asset	1,304	-
Impairment loss on goodwill	15,393	-
Loss on deconsolidation	580	-
	320	717
Operating profit before working capital changes		
Inventories	101	112
Amount due from/(to) customers	733	-
Trade and other receivables	(3,771)	873
Trade and other payables	3,722	963
Cash generated from/(used) in operations	1,105	2,665
Tax paid / (refunded)	(642)	(993)
Net cash generated from/(used) in operating activities	463	1,672
Cash Flows from Investing Activities		
Interest received	238	2
Purchase of property, plant and equipment	(218)	(1,333)
Proceeds from disposal of PPE	97	-
Net cash flow from deconsolidation of subsidiaries	(206)	-
Development cost incurred	-	(54)
Net cash generated (used in)/from investing activities	(89)	(1,385)
Cash Flows from Financing Activities		
Repayment from borrowings	(1,638)	(143)
Drawdown of term loan	-	1,050
Interest paid	(499)	(142)
Proceeds from issuance of ordinary shares	3,185	-
Net cash generated used in financing activities	1,048	765
Net Increase/(Decrease) in Cash and Cash Equivalents	1,422	1,052
Foreign exchange differences	(160)	209
Cash and Cash Equivalents at beginning of period	8,310	7,049
Cash and Cash Equivalents at end of period	9,572	8,310
Cash and Cash Equivalents at end of period comprise of the followings:-		
Cash and bank balances	9,572	8,310
	9,572	8,310

Note:

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to this interim financial report.

IDIMENSION CONSOLIDATED BHD (Company No. 925990-A)

NOTES TO THE QUARTERLY REPORT – 30 JUNE 2018

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements outlined in the Malaysia Financial Reporting Standards ("MFRS") 134 - Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

The financial statements of the Group have been prepared under the historical cost convention except as otherwise stated in the interim financial statements.

The accounting policies and methods adopted by the Group in this interim financial report are consistent with the audited financial statements for the financial year ended 31 December 2016 except for the effects of adoption of new MFRS during the financial year.

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

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 <i>Annual Improvements to MFRS Standards 2014 - 2016 Cycle</i>	1 January 2017

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group.

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 :

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

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A1. Basis of Preparation (Cont'd)

Title	Effective Date
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 See MFRS 4
Amendments to MFRS 4 <i>Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts</i>	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
<i>Amendments to References to the Conceptual Framework in MFRS Standards</i>	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 Associate or Joint Venture</i>	Deferred

The Group does not expect the adoption of the above Standards to have a significant impact on the financial statements, except for MFRS 15 and MFRS 9.

At the date of authorisation of these interim financial statements, the Group is still in the process of assessing the impacts of adoption of MFRS 15 and MFRS 9. The Group does not expect to have any significant impact to the financial position, profit or loss and other comprehensive income of the Group and the effects would only be observable upon initial application of the Standards.

A2. Auditors' Report

There were no audit qualifications on the annual audited financial statements of the Group for the financial year ended 31 December 2016.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A3. Seasonal or Cyclical Factors

The business operations of the Group were not significantly affected by seasonal or cyclical factors.

A4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter and financial year-to-date under review.

A5. Material Changes in Estimates

There were no changes in the estimate of amounts reported in the prior interim periods of the current financial year, or in previous years, which have material effect on the current quarter under review.

A6. Changes in Debts and Equity Securities

There were no issuance and repayment of debt or equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares during the financial year-to-date under review.

A7. Dividend Paid

There were no dividends paid during the quarter under review.

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PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A8. Segmental Reporting

The segmental revenue and results for the current period to date under review are as follows:-

	IT business RM'000	Online Games RM'000	Elimination RM'000	Group RM'000
<u>30 June 2018</u>				
Revenue				
External revenue	21,858	-*note	-	21,858
Inter-segment revenue	9,968	-	(9,968)	-
Total segment revenue	31,826	-	(9,968)	21,858
Results				
Interest income				385
Finance costs				238
Depreciation and amortization				(499)
Impairment on trade receivables				(620)
Deposits written off				(6)
Reversal of Impairment loss on trade receivables				(20)
Loss on fair value of financial asset				39
Loss on deconsolidation				(1,304)
Impairment on goodwill				(580)
Tax expense				(15,393)
Profit/(Loss) for the financial period				(683)
				<u>(18,443)</u>

* note

We refer to the announcements made on 30 May 2018, 9 August 2018 and 10 August 2018 in respect of, amongst others, the cessation of support by appointed vendors for the online games business segment and material litigation commenced by the Company's wholly-owned subsidiary, IDB Interactive Sdn Bhd ("IDB") against Online E-Club Management Sdn Bhd, E-Club Interactive Sdn Bhd, EClub Hong Kong Pte. Limited and Yap Tet Soon (trading as Yap Outsourcing Services) ("Material Litigation"). IDB has in their statement of claim demanded the return and/or handover of all the business, financial and/or management documents, information and records pertaining to sales, purchases and the appointer reseller of the five (5) territories in the possession, custody and/or control of the defendants belonging to IDB ("Documents"). Following the commencement of the Material Litigation, IDB continued to request for the Documents but EClub Interactive Sdn Bhd via their letter dated 13 Aug 2018 denied any access to the Documents.

In view that IDB does not have access to the Documents, the board of directors of the Group by reference to Section 250(2) of the Companies Act, 2016 are of the opinion that it is in the best interest of the Group to de-consolidate the financial statements of IDB effective 1 January 2017 from the Group's consolidated financial statements for the financial year ended 30 June 2018 pending the outcome of the Material Litigation. Hence, no revenue was recorded in the online games segment for the financial year ended 30 June 2018.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A9. Changes in the Composition of the Group

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

A10. Capital Commitment

There is no capital commitment subsequent to the current quarter up to the date of the interim financial report.

A11. Subsequent Material Events

There we no significant events subsequent to the current quarter up to the date of the interim financial report.

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PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance for the Current Quarter and Financial Year-to-date

The Group total revenue for the financial year-to-date is RM21.86 million, which consists only IT business segment as the Group has deconsolidate the wholly-owned subsidiary, IDB Interactive Sdn Bhd (“**IDB**”) effective 1 January 2017 from the Group’s consolidated financial statements for the financial year ended 30 June 2018.

With the deconsolidation of IDB, the Group recorded a loss before taxation of RM17.76 million. This was mainly due to the loss on deconsolidation of RM0.58 million, the impairment of goodwill which derived from the acquisition of the online games segment of RM15.39 million as well as the fair value adjustment on financial assets of RM1.30 million.

The review of performance for the current quarter and financial year-to date by operating business segment is as follows :-

1) IT Business

The revenue for the current quarter is RM3.40 million compared to RM2.50 million in the correspondence quarter a year ago, a jump of 36%. With the higher revenue, the IT business segment has recorded a profit before taxation of RM1.3 million in the current quarter compared to a loss before taxation of RM0.33 million a year ago. This was mainly due to improve manpower utilization and productivity rate with the additional IT projects on hand.

For the 18 months year to-date, IT business segment recorded a profit before taxation of RM 1.07 million. This was mainly due to improve manpower utilization and productivity rate with the additional IT projects secured during the year.

2) Online Games

We refer to the announcements made on 30 May 2018, 9 August 2018 and 10 August 2018 in respect of, amongst others, the cessation of support by appointed vendors for the online games business segment and material litigation commenced by the Company’s wholly-owned subsidiary, IDB Interactive Sdn Bhd (“**IDB**”) against Online E-Club Management Sdn Bhd, E-Club Interactive Sdn Bhd, EClub Hong Kong Pte. Limited and Yap Tet Soon (trading as Yap Outsourcing Services) (“**Material Litigation**”). IDB has in their statement of claim demanded the return and/or handover of all the business, financial and/or management documents, information and records pertaining to sales, purchases and the appointer reseller of the five (5) territories in the possession, custody and/or control of the defendants belonging to IDB (“**Documents**”). Following the commencement of the Material Litigation, IDB continued to request for the Documents but EClub Interactive Sdn Bhd via their letter dated 13 Aug 2018 denied any access to the Documents.

In view that IDB does not have access to the Documents, the board of directors of the Group by reference to Section 250(2) of the Companies Act, 2016 are of the opinion that it is in the best interest of the Group to de-consolidate the financial statements of IDB effective 1 January 2017 from the Group’s consolidated financial statements for the financial year ended 30 June 2018 pending the outcome of the Material Litigation.

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D

B1. Review of Performance for the Current Quarter and Financial Year-to-date (cont'd)

2) Online Games (cont'd)

The total revenue of the online games segment of RM45.14 million together with the loss before taxation of RM9.43 million recorded in the cumulative quarter was deconsolidated effective 1 January 2017 from the Group's consolidated financial statements for the financial year ended 30 June 2018 as the Group was unable to ascertain the sales and purchases transactions without all the source documents and/or supporting documents to be returned by the defendants.

B2. Material Change in the (Loss) / Profit Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter

	Current Quarter 30 June 2018 RM'000	Preceding Quarter 31 Mar 2018 RM'000
Revenue	(41,741)	4,015
Profit / (Loss) before taxation	1,789	(887)

The Group revenue was negative of RM41.74 million in the current quarter compared to RM4.02 million in immediate preceding quarter mainly due to the total revenue of the online games segment of RM45.14 million recorded in the cumulative quarter was deconsolidated effective 1 January 2017 from the Group's consolidated financial statements for the financial year ended 30 June 2018 as the Group was unable to ascertain the sales transactions without all the source documents and/or supporting documents to be returned by the defendants.

Similarly, the profit before taxation of RM1.79 million in the current quarter compared to loss before taxation of RM0.89 million, posted the differences of RM2.68 million mainly due to the deconsolidation of administration expenses of RM10.59 million in the online games segment cope with the recognition of loss on deconsolidation of RM0.58 million, the impairment of goodwill which derived from the acquisition of the online games segment of RM15.39 million as well as the fair value adjustment on financial assets of RM1.30 million.

B3. Future Prospects

The business environment of the Group remain challenging and competitive in the remaining year 2018. The management will continue to explore new business opportunity on its core activities in IT business to sustain the performance of the Group.

B4. Profit Forecast and Profit Guarantee

The Group has not issued or disclosed in any public documents any profit forecast or profit guarantee for the current quarter under review.

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D

B5. Taxation

	Current Quarter 30 June 2018 RM'000	18 months to date 30 June 2018 RM'000
Current year taxation	167	467
Under/(Over) provision in prior year		216
Deferred taxation	-	-
	<u>167</u>	<u>683</u>

For year to date, the effective tax rate is lower than the statutory tax rate mainly due to a subsidiary has been granted pioneer status under the Promotion of Incentive Act 1986 with the 100% tax exemption on Plantation Management Executive System.

B6. Status of Corporate Proposals

Save for the below corporate proposals, there were no other corporate proposals announced as at the date of this report :-

- i) On 11 Oct, 2017, the Group has announced the completion of private placement with the listing of 49,000,000 Placement Share at an issue price of RM 0.065 per Placement Share, raising a total of RM 3.185 million. As at-to-date, the Group is yet to utilize the proceed from the private placement.
- ii) On 7 March 2018, the Group has announced to undertake the following proposals :-
 - Proposed reduction of the issued share capital pursuant to Section 116 of the Companies Act 2016 (“the Act”); and
 - Proposed consolidation of every two (2) iDimension Cosolidated Berhad Shares into one (1) Consolidated Share.

(Collectively referred to as “CRCS Proposals”)

On 15 March 2018, the Group announced that Bursa Securities granted its approval for the CRCS Proposals vide its letter dated 15 March 2018. Thereafter, the Group had successfully obtained the approval from the shareholders on the CRCS Proposals vide an Extraordinary General Meeting (EGM) held on 20 April, 2018.

On 22 June 2018, the High Court of Malaya has approved the proposed capital reduction pursuant to Section 116 of the Act. Subsequently, the sealed order of the High Court of Malaya confirming the Proposed Capital Reduction has been lodged with the Companies Commission of on 26 June 2018. Pursuant thereto, the Proposed Capital Reduction shall therefore take effect and be deemed completed on 26 June 2018.

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D

B6. Status of Corporate Proposals (cont'd)

On 29 June, 2018, the Group announced on the Shares Consolidation of every two (2) iDimension Cosolidated Berhad Shares into one (1) Consolidated Share.

The Share Consolidation has been completed on 17 July 2018 following the listing of and quotation of 271,962,179 Consolidated Shares and 123,731,033 Consolidated Warrants on the ACE Market of Bursa Securities.

B7. Group Borrowings and Debt Securities

The Group's borrowings as at 30 June 2018 are as follows:

	Short-term RM'000	Long-term RM'000	Total RM'000
<u>Secured</u>			
Term loan	-	5,955	5,955
Hire purchase & Finance lease payable	-	429	429
	<u>-</u>	<u>6,384</u>	<u>6,384</u>

The Group does not have any unsecured borrowings and debt securities as at 30 June 2018.

All borrowings of the Group are denominated in Ringgit Malaysia.

B8. Material Litigation

On 30 May 2018, the subsidiary IDB Interactive Sdn Bhd ("IDB") has lodged a Writ of Summons and Statement of Claim to High Court of Malaya at Kuala Lumpur to demand the return and/or handover all the business, financial and/or management information and records of IDB in the possession, custody and/or control of the Defendants.

On 9 August 2018, the Group announced that all the Defendants in Kuala Lumpur High Court Civil (Commercial Division) Suit No. WA-22NCC-194-05/2018, except for EClub Hong Kong Pte Limited ("3rd Defendant"), have filed their respective Defences and have further filed application to strike out the Writ of Summons and Statement of Claim filed by IDB.

On 10 August 2018, further to Group's announcement on 30 May 2018 and 9 August 2018, it has announced that during the case management held before the Kuala Lumpur High Court on 9 August 2018, Messrs. Daniel & Wong, the solicitor acting on behalf of IDB had apprised the Court on the status of service of the cause papers on 3rd Defendant to High Court Order dated 5 July 2018.

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D

B9. Dividend

There were no dividends declared during the current quarter under review.

B10. Earnings Per Share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the loss attributable to the equity holders of the Company by the weighted average number of shares in issue for the financial period, computed as follows:

	Individual Quarter		Cumulative Quarter	
	Current Quarter	Preceding Year Corresponding Quarter	18 mths to-date	Preceding 18 months Corresponding to date
Profit/(Loss) attributable to the owners of the Company (RM'000)	1,956	(621)	(18,443)	N/A
Weighted average number of ordinary shares in issue ('000)	543,924	494,492	543,924	N/A
Basic earnings per share (sen)	0.36	(0.13)	(3.39)	N/A

(b) Diluted earnings per share

The basic and diluted earnings of the Company are the same as the warrants are not included in the calculation of diluted earnings per share because warrants are antidilutive during the current quarter and financial year-to-date.

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PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D

B11. Breakdown of Realised and Unrealised Group Accumulated Losses

The breakdown of accumulated losses of the Group for the current financial year-to-date and preceding financial year, is as follows:-

	(Unaudited) 30 June 2018 RM'000	(Audited) 31 Dec 2016 RM'000
Total accumulated losses of the Group:		
- Realised	(24,066)	(5,979)
- Unrealised	(29)	366
	<hr/>	<hr/>
	(24,095)	(5,614)
Less : Consolidation adjustments	-	(38)
Total Group accumulated losses as per consolidated accounts	<hr/> <hr/>	<hr/> <hr/>
	(24,095)	(5,652)

B12. Profit for the Period

This is arrived at after charging/(crediting) the following items:

	Current Quarter 30 June 2018 RM'000	18 Mths To Date 30 Jun 2018 RM'000
Interest income	53	238
Other income	731	874
Interest expenses	(92)	(499)
Depreciation and amortization	(93)	(620)
Impairment loss on trade receivables	8,609	(6)
Impairment loss on goodwill	(5,508)	(15,393)
Reversal of impairment loss on trade	(100)	39
Unrealised Foreign exchange gain/(loss)	37	(29)
Deposits written off	-	(20)
Realised Foreign exchange gain/ (loss)	229	(183)
Loss on fair value of financial asset	(1,304)	(1,304)
Loss on deconsolidation	(580)	(580)

Other disclosure items required pursuant to Note 16 of Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.