



## **REACH ENERGY BERHAD**

company no: 1034400-D  
(Incorporated in Malaysia)

Report on unaudited financial results  
for the period 1 August 2015  
to 31 December 2015

("Interim Financial Statements")

(The figures have not been audited)

**UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE PERIOD 1 AUGUST 2015 TO 31 DECEMBER 2015**

		<b>CUMULATIVE 17 MONTHS</b>	<b>CUMULATIVE 5 MONTHS</b>
		<b>Unaudited for the period 1 Aug 2014 to 31 Dec 2015 RM</b>	<b>Unaudited for the period 1 Aug 2015 to 31 Dec 2015 RM</b>
	<b>Note</b>		
Other income		41,106,116	13,508,062
Operating expenses	B1	(13,347,694)	(6,000,029)
Finance costs		(49,659,568)	(23,460,728)
<b>Loss before taxation</b>		<b>(21,901,146)</b>	<b>(15,952,695)</b>
Income tax expenses	B6	(10,251,441)	(5,221,348)
<b>Net loss for the period/year, representing total comprehensive loss for the period/year</b>		<b>(32,152,587)</b>	<b>(21,174,043)</b>
<b>Loss after taxation attributable to:</b>			
Owners of the company		(32,152,587)	(21,174,043)
<b>Total comprehensive loss for the period attributable to:</b>			
Owners of the company		(32,152,587)	(21,174,043)
<b>Loss for the period comprise the following:</b>			
Realised		(32,152,587)	(21,174,043)
Unrealised		-	-
Basic loss per ordinary share (sen):	B7	(0.12)	(0.08)
Diluted loss per ordinary share (sen):		-	-

**Note:**

1) There are no comparative figures due to the change of financial year end from 31 July to 31 December.

The condensed statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 July 2014 and the accompanying explanatory notes attached to the interim financial statements.

REACH ENERGY BERHAD  
(company no. 1034400-D)  
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2015

	Note	Unaudited As at 31 Dec 2015 RM	As at 31 Jul 2014 (Restated) RM
<b>Non-current assets</b>			
Property, plant and equipment	B8	304,653	132,066
		<u>304,653</u>	<u>132,066</u>
<b>Current assets</b>			
Deposits and prepayments		189,523	23,584,904
Cash and bank balances	B9	778,358,252	23,177,525
<b>Total current assets</b>		<u>778,547,775</u>	<u>46,762,429</u>
<b>Total assets</b>		<u>778,852,428</u>	<u>46,894,495</u>
<b>Equity and liabilities</b>			
Capital	B10	22,035,158	20,249,194
Share-based premium reserves	B11	458,810	151,158
Warrant reserves	B12	45,277,924	8,920,808
Accumulated losses		(39,233,814)	(7,081,227)
<b>Equity attributable to equity holders of the Company</b>		<u>28,538,078</u>	<u>22,239,933</u>
<b>Non-current liabilities</b>			
Financial liability component of the public issue shares	B13	738,051,343	-
<b>Current liabilities</b>			
Other payables and accruals	B14	1,996,259	24,573,745
Current tax liabilities		10,266,748	80,817
<b>Total current liabilities</b>		<u>12,263,007</u>	<u>24,654,562</u>
<b>Total liabilities</b>		750,314,350	24,654,562
<b>Total equity and liabilities</b>		<u>778,852,428</u>	<u>46,894,495</u>
<b>Net assets/ (liabilities) per share (RM)</b>		0.02	0.08

The condensed statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 July 2014 and the accompanying explanatory notes attached to the interim financial statements. The Board of Directors of Reach Energy Berhad has resolved to change the financial year end of the Company from 31 July to 31 December.

**REACH ENERGY BERHAD**  
**(company no. 1034400-D)**  
**(Incorporated in Malaysia)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**AS AT 31 DECEMBER 2015**

	<----- Attributable to Equity Holders of the Company ----->				
	<----- Non-distributable ----->				
	Capital RM	Warrant reserve RM	Share-based payment reserve RM	Accumulated losses RM	Total RM
<b>At 31 July 2013/ 1 August 2013</b>	3,044,482	2,067,520	12,153	(2,168,961)	2,955,194
Loss/total comprehensive expenses for the period	-	-		(4,912,266)	(4,912,266)
Issuance of ordinary shares	10,053,600	4,004,400	-	-	14,058,000
Conversion of RCPS	7,151,112	2,848,888	-	-	10,000,000
Share -based payment transaction	-	-	139,005	-	139,005
<b>At 31 July 2014 / 1 August 2014</b>	<u>20,249,194</u>	<u>8,920,808</u>	<u>151,158</u>	<u>(7,081,227)</u>	<u>22,239,933</u>
<b>As previously stated</b>	20,249,194	8,920,808	151,158	(30,546,372)	(1,225,212)
Prior year adjustment*					
- capitalisation of share listing expenses	-	-	-	23,465,145	23,465,145
<b>At 31 July 2014 / 1 August 2014, as restated</b>	<u>20,249,194</u>	<u>8,920,808</u>	<u>151,158</u>	<u>(7,081,227)</u>	<u>22,239,933</u>
Loss/total comprehensive expenses for the year		-	-	(32,152,587)	(32,152,587)
Issuance of ordinary shares	1,843,645	37,531,355	-	-	39,375,000
Share listing expenses	(57,681)	(1,174,239)	-	-	(1,231,920)
Share-based payment transaction		-	307,652	-	307,652
<b>At 31 December 2015</b>	<u>22,035,158</u>	<u>45,277,924</u>	<u>458,810</u>	<u>(39,233,814)</u>	<u>28,538,078</u>

The condensed statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 July 2014 and the accompanying explanatory notes attached to the interim financial statements. The Board of Directors of Reach Energy Berhad has resolved to change the financial year end of the Company from 31 July to 31 December.

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	<b>Unaudited for the period 1 Aug 2014 to 31 Dec 2015 RM</b>
<b>Cash flows from operating activities</b>	
Loss before taxation	(21,901,146)
<i>Adjustments for:-</i>	
Gain on disposal of plant and equipment	(6,047)
Depreciation of plant and equipment	451,798
Finance income	(41,070,419)
Share-based payment transaction	307,652
Finance cost	49,659,568
Operating loss before changes in working capital	(12,558,594)
Changes in working capital:	
Receivables, deposits and prepayments	(69,764)
Other payables and accruals	887,659
<b>Cash used in operations</b>	(11,740,699)
Tax paid	(65,510)
<b>Net cash used in operating activities</b>	(11,806,209)
<b>Cash flows from investing activities</b>	
Acquisition of property, plant and equipment	(668,338)
Proceeds from sale of PPE	50,000
Finance income received	26,448,411
Placement of deposits with licensed banks (Trust Fund)	(735,308,777)
<b>Net cash used in investing activities</b>	(709,478,704)
<b>Cash flows from financing activities</b>	
Payment of share listing expenses	(23,465,145)
Proceeds of issuance of ordinary shares	750,000,000
<b>Net cash generated from financing activities</b>	726,534,855
<b>Net increase in cash and cash equivalents</b>	5,249,942
<b>Cash and cash equivalents at beginning of period/year</b>	23,177,525
<b>Cash and cash equivalents at end of period</b>	<b>28,427,467</b>

**Note:**

1) There are no comparative figures due to the change of financial year end from 31 July to 31 December.

The condensed statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 July 2014 and the accompanying explanatory notes attached to the interim financial statements.

## NOTES TO THE MANAGEMENT ACCOUNTS

### PART A-EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARDS ("FRS") 134 - INTERIM FINANCIAL REPORTING

#### A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting issued by Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Main Market Listing Requirement ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"). The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 July 2014.

On 25 March 2015, the Board of Directors of Reach Energy Berhad ("Company") has resolved to change the financial year end of the Company from 31 July to 31 December. Due to the change of financial year end, there are no comparative figures given for preceding year corresponding half yearly and year-to-date in the current report.

The explanatory notes attached to unaudited condensed financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company since the financial year ended 31 July 2014.

#### A2 Changes in accounting policies

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Company:

##### **MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016**

- MFRS 14, Regulatory Deferral Accounts
- Amendments to MFRS 5, Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)
- Amendments to MFRS 7, Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)
- Amendments to MFRS 10, Consolidated Financial Statements, MFRS 12, Disclosure of Interests in Other Entities and MFRS 128, Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception
- Amendments to MFRS 11, Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations
- Amendments to MFRS 101, Presentation of Financial Statements – Disclosure Initiative
- Amendments to MFRS 116, Property, Plant and Equipment and MFRS 138, Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to MFRS 116, Property, Plant and Equipment and MFRS 141, Agriculture – Agriculture: Bearer Plants
- Amendments to MFRS 119, Employee Benefits (Annual Improvements 2012-2014 Cycle)
- Amendments to MFRS 127, Separate Financial Statements – Equity Method in Separate Financial Statements
- Amendments to MFRS 134, Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)

##### **MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018**

- MFRS 9, Financial Instruments (2014)
- MFRS 15, Revenue from Contracts with Customers

##### **MFRSs, Interpretations and amendments effective for a date yet to be confirmed**

- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Company plans to apply the abovementioned accounting standards, amendments and interpretations:

- from the annual period beginning on 1 January 2016 for those accounting standards, amendments or interpretations that are effective for annual periods beginning on or after 1 January 2016; and
- from the annual period beginning on 1 January 2018 for those accounting standards that are effective for annual periods beginning on or after 1 January 2018.

Save as disclosed in this Interim Financial Statements, the adoption of the revised MFRSs and Amendments to MFRSs that are applicable to the Company and effective from 1 August 2014 has no material effect to the Company's Interim Financial Statements.

- A3 Auditors' Opinion on Preceding Annual Financial Statements**  
The Company's financial statements for the financial year ended 31 July 2014 were not subject to audit qualification.
- A4 Seasonality or cyclicity of operations**  
The company's operations are not affected by any seasonal or cyclical factors as the Company currently has no operations or income generating business.
- A5 Individually significant items**  
Save as disclosed below, there were no significant items that affect the assets, liabilities, equity, net income or cash flow of the Company during the current financial period under review.
- i The Company has listed its shares and warrants as a Special Purpose Acquisition Company ("SPAC") on the Main Market of Bursa Malaysia Securities Berhad on 15 August 2014.
  - ii Upon listing, the Company received RM750,000,000 of subscription proceeds from the IPO of which, 94.75% of the proceeds was placed in a Cash Trust Account for the purpose of completing a Qualifying Acquisition ("QA") that has an aggregate fair market value equal to at least 80% of the aggregate amount in the Cash Trust Account and the remaining 5.25% is to be utilised for working capital purposes.
  - iii The Company incurred accumulated listing expenses amounting to RM212,569 (31 July 2014: RM24,834,801).
- A6 Material changes in estimates**  
There were no significant changes in estimates that have material effect on the current financial period under review.
- A7 Borrowing, debt and equity security**  
There were no issuances, cancellation, repurchases, resale and repayments of borrowings, debt and equity securities during the financial period ended 31 December 2015.
- A8 Dividend paid**  
There was no dividend declared or paid during the current financial period ended 31 December 2015.
- A9 Segmental reporting**  
The segmental financial information by operating segments is not presented as the Company has no operations or income generating business.
- A10 Valuation of properties, plants and equipment**  
There was no valuation of the property, plant and equipment performed for the current financial period under review.
- A11 Material events subsequent to the end of the interim period**  
There were no material events after the interim period that has not been reflected in the financial statements for the interim period.
- A12 Changes in the composition of the company**  
There were no changes in the composition of the Company during the current financial period under review.
- A13 Contingent liabilities or contingent assets**  
There were no contingent liabilities or contingent assets at the date of this Interim Financial Statement.

A14 **Operating lease commitments**

During the period, the company entered into an operating lease for the rental of office premises.

Non-cancellable operating lease rentals are payable as follows:-

	<b>Unaudited</b>	<b>Audited</b>
	<b>31 Dec 2015</b>	<b>31 Jul 2014</b>
	<b>RM</b>	<b>RM</b>
Less than one year	127,435	382,861
Between one and five years	-	303,527
	<u>127,435</u>	<u>686,388</u>



**PART B: ADDITIONAL NOTES TO REQUIREMENTS UNDER CHAPTER 9 OF THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS**

**B1 Review of Results**

For the period 1 August 2015 to 31 December 2015

Reach Energy Berhad as a Special Purpose Acquisition Company (SPAC) will only generate operating income once it has completed the Qualifying Acquisition (QA). For the 5 months financial period ended 31 December 2015, the Company's income was mainly profit earned from fixed deposits amounting to RM13,508,062. The major expenses were remuneration of management team, finance costs, qualifying acquisition expenses, office rental & maintenance and depreciation denoted as follows:-

	<b>CUMULATIVE 17 MONTHS</b>	<b>CUMULATIVE 5 MONTHS</b>
	<b>Unaudited for the period 1 Aug 2014 to 31 Dec 2015</b>	<b>Unaudited for the period 1 Aug 2015 to 31 Dec 2015</b>
	<b>RM</b>	<b>RM</b>
Salaries & wages		
Management team	4,033,000	1,290,200
Others	3,101,022	1,052,933
Qualifying acquisition expenses	3,452,789	2,879,159
Office rental & maintenance	518,535	159,617
Travelling	319,842	79,159
Share-based payment reserves	307,652	90,486
Professional fees	327,440	115,810
Depreciation	451,798	119,553
Corporate communication	160,737	13,000
Audit, accountancy, secretarial & tax	149,498	110,038
General office expenses	139,190	39,337
Others	386,191	50,737
Operating expenses	<u>13,347,694</u>	<u>6,000,029</u>
Finance cost	<u>49,659,568</u>	<u>23,460,728</u>

The finance cost represents the profit earned from amount held in the custodian account placed in Shariah-compliant deposits with licensed banks.

The expenses incurred with regard to QA primarily comprise fees for technical assessment of assets during the financial period.

**B2 Material change in loss before taxation**

In the period ended 31 December 2015, the Company recorded 5 months loss before tax of RM15,952,695. The main cost attributable to the loss before tax is operating expenses.

**B3 Prospects**

The Company continues to actively seek control of an attractive asset as QA. As at the date of this report, the Company has been pursuing several attractive opportunities.

**B4 Profit forecast / Guarantee**

The Company has not announced or disclosed any profit forecast or profit guarantee in any public documents.

**B5 Purchase or disposal of quoted securities**

There was no purchase or disposal of quoted securities during the financial period ended 31 December 2015.

B6 **Income Tax Expense**

	<b>CUMULATIVE 17 MONTHS</b>	<b>CUMULATIVE 5 MONTHS</b>
	<b>Unaudited for the period 1 Aug 2014 to 31 Dec 2015</b>	<b>Unaudited for the period 1 Aug 2015 to 31 Dec 2015</b>
	<b>RM</b>	<b>RM</b>
Current tax expense	(10,251,441)	(5,221,348)

In the current year, the income tax is calculated at the statutory tax rate of 25% (31 July 2014: 25%) of the estimated assessable profit for the year as the Company no longer qualifies for the preferential tax rates under Paragraph 2A, Schedule 1 of the Income Tax Act 1967 as the Company has increased paid-up capital to more than RM2.5 million.

B7 **Basic loss per ordinary share**

The calculation of basic loss per ordinary share as at 31 December 2015 was based on the loss attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding as follows:-

	<b>CUMULATIVE 17 MONTHS</b>	<b>CUMULATIVE 5 MONTHS</b>
	<b>Unaudited for the period 1 Aug 2014 to 31 Dec 2015</b>	<b>Unaudited for the period 1 Aug 2015 to 31 Dec 2015</b>
	<b>RM</b>	<b>RM</b>
Loss attributable to ordinary shareholders	(32,152,587)	(21,686,538)
Weighted average number of ordinary shares	277,822,425	277,822,425
Basic loss per ordinary share	(0.12)	(0.08)

**Diluted loss per ordinary share**

The fully diluted loss per share for the Company in the current financial period is not presented as the assumed conversion from the exercise of warrants and financial liability arising from public portion of the ordinary shares would be anti-dilutive.

B8 **Property, plant & equipment**

	<b>Office renovation</b>	<b>Office furniture &amp; equipment</b>	<b>IT network equipment</b>	<b>Total</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<i>At cost</i>				
At 1 Aug 2013	104,100	106,777	26,000	236,877
Additions	-	28,596	-	28,596
At 31 Jul 2014	104,100	135,373	26,000	265,473
<i>Accumulated Depreciation</i>				
At 1 Aug 2013	17,285	9,329	4,333	30,947
Charge for the period	52,092	37,365	13,003	102,460
At 31 Jul 2014	69,377	46,694	17,336	133,407
<b>NBV as at 31 Jul 2014</b>	<b>34,723</b>	<b>88,679</b>	<b>8,664</b>	<b>132,066</b>
<i>At cost</i>				
At 1 Aug 2014	104,100	135,373	26,000	265,473
Additions	403,457	228,071	36,810	668,338
Disposal	(104,100)	(107,519)	-	(211,619)
At 31 Dec 2015	403,457	255,925	62,810	722,192

B8 **Property, plant & equipment (continued)**

*Accumulated Depreciation*

At 1 Aug 2014	69,377	46,694	17,336	133,407
Charge for the period	301,312	117,280	33,206	451,798
Disposal	(104,100)	(63,566)	-	(167,666)
At 31 Dec 2015	266,589	100,408	50,542	417,539
<b>NBV as at 31 Dec 2015</b>	<b>136,868</b>	<b>155,517</b>	<b>12,268</b>	<b>304,653</b>

B9 **Cash and bank balances**

	<b>Unaudited</b>	<b>Audited</b>
	<b>31 Dec 2015</b>	<b>31 Jul 2014</b>
	<b>RM</b>	<b>RM</b>
Cash in hand and at bank	22,022	557,532
Deposits with licensed Islamic banks in Malaysia	28,405,445	22,619,993
Deposits with licensed Islamic banks in Malaysia under trust account	735,308,778	-
Profit receivable from fixed deposits	145,240	-
Profit receivable from fixed deposits under financial liabilities	14,476,767	-
	<b>778,358,252</b>	<b>23,177,525</b>

The remaining days to maturity and effective profit for the fixed deposits with licensed banks as at 31 December 2015 for Company range from 13 to 90 days.

The Company placed 94.75% of the gross proceeds raised from its initial public offering in an Islamic Trust Account. The monies in the Islamic Trust Account may only be released by the Custodian upon QA or termination of the Islamic Trust Account.

The proceeds in the Islamic Trust Account have been invested in permitted investments which are Shariah-compliant and any profits generated from the permitted investments will be accrued to the Islamic Trust Account. In the event the Company fails to complete a Qualifying Acquisition within the permitted time frame, the amount then held in the Islamic Trust Account (net of any taxes payable and direct expenses related to the Liquidation Distribution) shall be distributed to the shareholders on a prorata basis as soon as practicable in accordance with the provisions of the Act and other applicable laws and regulations.

The remaining 5.25% of the total gross proceeds raised from the IPO is for working capital purposes.

B10 **Capital**  
**Ordinary Share Capital**

	<b>Number of ordinary shares</b>		<b>Amount</b>	
	<b>31 Dec 2015</b>	<b>31 Jul 2014</b>	<b>31 Dec 2015</b>	<b>31 Jul 2014</b>
			<b>RM</b>	<b>RM</b>
Authorised:-				
<b>Opening balance</b>	5,000,000,000	2,490,000,000	50,000,000	24,900,000
Issuance of ordinary shares	-	2,500,000,000	-	25,000,000
Redeemable Convertible Preference Shares ("RCPS")	-	10,000,000	-	100,000
<b>Closing balance</b>	<b>5,000,000,000</b>	<b>5,000,000,000</b>	<b>50,000,000</b>	<b>50,000,000</b>
Issued and fully paid:-				
<b>Opening balance</b>	277,822,425	113,600,200	2,778,224	1,136,002
Issuance of ordinary shares	1,000,000,000	142,000,000	10,000,000	1,420,000
Redeemable Convertible Preference Shares ("RCPS")	-	22,222,225	-	222,222
<b>Closing balance</b>	<b>1,277,822,425</b>	<b>277,822,425</b>	<b>12,778,224</b>	<b>2,778,224</b>

**B10 Capital (continued)**  
**Share Premium**

	<b>Unaudited</b>	<b>Audited</b>
	<b>31 Dec 2015</b>	<b>31 Jul 2014</b>
	<b>RM</b>	<b>RM</b>
Opening balance	17,470,970	1,908,480
Issuance of ordinary shares during the period	740,000,000	8,633,600
Conversion of RCPS	-	6,928,890
Share issuance expenses	(23,465,145)	-
Closing balance	<u>734,005,825</u>	<u>17,470,970</u>
Total share capital and premium	746,784,049	20,249,194
Proceeds of shares allocated to warrant reserves	(36,357,117)	-
Proceeds of shares allocated to financial liability	(688,391,774)	-
	<u>22,035,158</u>	<u>20,249,194</u>

**B11 Share-based payment reserves**

The movements in the share-based payment reserves of the Company are as follows:-

	<b>Unaudited</b>	<b>Audited</b>
	<b>31 Dec 2015</b>	<b>31 Jul 2014</b>
	<b>RM</b>	<b>RM</b>
Opening balance	151,158	12,153
Share-based payment expensed to profit or loss	307,652	139,005
Closing balance	<u>458,810</u>	<u>151,158</u>

**B12 Warrant reserves**

The movements in the warrants reserves of the Company are as follows:-

	<b>Unaudited</b>	<b>Audited</b>
	<b>31 Dec 2015</b>	<b>31 Jul 2014</b>
	<b>RM</b>	<b>RM</b>
Opening balance	8,920,808	2,067,520
Created during the year/period	37,531,355	6,853,288
(-) Share listing expenses	(1,174,239)	-
Closing balance	<u>45,277,924</u>	<u>8,920,808</u>

**B13 Financial liability component ("FLC") of the public issue shares**

	<b>Unaudited</b>	<b>Audited</b>
	<b>31 Dec 2015</b>	<b>31 Jul 2014</b>
	<b>RM</b>	<b>RM</b>
94.75% of IPO funds	710,625,000	-
Finance costs	49,659,568	-
Less: share listing expenses allowed to be offset	(22,233,225)	-
Financial liability component	<u>738,051,343</u>	<u>-</u>

At the reporting date, the financial liability component is secured against the monies in the custodian trust account as disclosed in **Note B10** above. The maturity of the Financial Liability Component of the Public Issue Shares is three years from the IPO date.

B14 **Other payables & accruals**

	<b>Unaudited 31 Dec 2015 RM</b>	<b>Audited 31 Jul 2014 RM</b>
Other Creditors	202,908	636,452
Accrual	1,793,351	23,937,293
	<u>1,996,259</u>	<u>24,573,745</u>

B15 **Prior year adjustment**

	<b>As previously stated RM</b>	<b>Reclassification RM</b>	<b>As restated RM</b>
<b>31 July 2014</b>			
<b>Statement of financial position:</b>			
<u>Current assets</u>			
Deposit and prepayment	119,759	23,465,145	23,584,904
<u>Equity and liabilities</u>			
Accumulated losses	(30,546,372)	23,465,145	(7,081,227)
<b>Statement of profit or loss and other comprehensive income:</b>			
Loss after tax	(28,377,411)	23,465,145	(4,912,266)

Share listing expenses were previously expensed to profit or loss. These expenses were reversed to be deferred under current asset as such costs are incremental costs that are directly attributable to the issue of shares and financial liability.

B16 **Accumulated losses**

The breakdown of the accumulated losses of the Company as at 31 December 2015 and 31 July 2014, pursuant to the directive by Bursa Malaysia Securities Berhad are as follows:-

	<b>Unaudited 31 Dec 2015 RM</b>	<b>Audited 31 Jul 2014 RM</b>
Realised losses	(39,233,814)	(7,081,227)
Unrealised losses	-	-
	<u>(39,233,814)</u>	<u>(7,081,227)</u>

BY ORDER OF THE BOARD  
CHEN BEE LING (MAICSA 7046517)  
TAN LAI HONG (MAICSA 7057707)

COMPANY SECRETARIES  
29 FEBRUARY 2016