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Independent Auditors' Report on Review of Interim Financial Information to the Board of Directors Ikhmas Jaya Group Berhad

(Company No. 1072872-D)
(Incorporated in Malaysia)

Introduction

We have reviewed the accompanying 30 September 2019 condensed consolidated interim financial information of Ikhmas Jaya Group Berhad ("the Company"), which comprises:

- the condensed consolidated statement of financial position as at 30 September 2019;
- the condensed consolidated statement of profit or loss and other comprehensive income for the nine months periods ended 30 September 2019;
- the condensed consolidated statement of changes in equity for the nine months period ended 30 September 2019;
- the condensed consolidated statement of cash flows for the nine months period ended 30 September 2019; and
- explanatory notes to the interim financial information (our review does not cover Part B of the explanatory notes).

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with MFRS 134, *'Interim Financial Reporting'* and IAS 34, *'Interim Financial Reporting'*. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Company No. 1072872-D

Ikhmas Jaya Group Berhad
*Review of quarterly financial information
for the period ended 30 September 2019*

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at and for the nine months period ended 30 September 2019 has not been prepared, in all material respects, in accordance with MFRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board in Malaysia and IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board.

Material Uncertainty Related to Going Concern

We draw attention to Note A1 of the condensed consolidated interim financial information for the nine months period ended 30 September 2019, which indicates that the Group has prepared its condensed consolidated interim financial information on a going concern basis, notwithstanding that the Group's current liabilities exceeded its current assets by RM6.4 million and incurred a net loss of RM95.7 million.

As stated in Note A1, these conditions, along with other matters as set forth in Note A1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as going concern. Our conclusion is not modified in respect of this matter.

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Petaling Jaya, Selangor
Date: 29 November 2019