



RED SENA BERHAD

(Incorporated in Malaysia)

Company No: 1109132 - P

**REPORT ON
THE FINANCIAL RESULTS
FOR THE 2nd HALF YEAR ENDED
30 SEPTEMBER 2016**

("Interim Financial Statements")

(THE FIGURES HAVE NOT BEEN AUDITED)

RED SENA BERHAD
(Incorporated in Malaysia)
(Company No: 1109132 - P)

**UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION
AT 30 SEPTEMBER 2016**

	Note	UNAUDITED 30.09.2016 RM	AUDITED 30.09.2015 RM
ASSETS			
NON-CURRENT ASSET			
Equipment	B7	134,890	56,309
CURRENT ASSETS			
Other receivables, deposits and prepayments	B8	4,675,789	337,332
Short-term investments	B9	22,406,673	7,805,777
Cash Trust Account	B10	374,061,469	-
Bank balance		215,946	708,628
		401,359,877	8,851,737
TOTAL ASSETS		401,494,767	8,908,046
EQUITY AND LIABILITIES			
EQUITY			
Share capital	B11	10,000,002	2,000,002
Reserves	B12	30,827,943	8,220,000
Accumulated losses		(8,024,099)	(1,380,353)
TOTAL EQUITY		32,803,846	8,839,649
NON-CURRENT LIABILITY			
Financial liability component of the Public Issue Shares	B13	368,346,299	-
CURRENT LIABILITIES			
Other payables and accruals	B14	64,419	68,397
Provision for taxation		280,203	-
		344,622	68,397
TOTAL LIABILITIES		368,690,921	68,397
TOTAL EQUITY AND LIABILITIES		401,494,767	8,908,046
NET ASSETS PER SHARE (RM) #		0.033	0.044

Notes:

The net assets per share as at 30 September 2016 and 30 September 2015 is computed based on 1,000,000,200 ordinary shares and 200,000,200 ordinary shares respectively of RM0.01 each.

The Unaudited Condensed Statement of Financial Position should be read in conjunction with the audited financial statements of the Company for the financial year ended 30 September 2015 and accompanying explanatory notes in this interim financial report.

**UNAUDITED CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016**

	INDIVIDUAL 6 MONTHS		CUMULATIVE 12 MONTHS	
	UNAUDITED CURRENT 2 ND HALF YEAR PERIOD TO 30.09.2016 RM	UNAUDITED PRECEDING CORRESPONDING 2 ND HALF YEAR PERIOD TO 30.09.2015 RM	UNAUDITED 12 MONTHS TO 30.09.2016 RM	AUDITED 12 MONTHS TO 30.09.2015 RM
REVENUE	-	-	-	-
OTHER INCOME	8,153,070	158,162	13,727,092	305,777
EMPLOYEE BENEFITS EXPENSE	(1,560,958)	(667,808)	(3,032,712)	(667,808)
DEPRECIATION	(32,084)	-	(57,852)	-
LISTING EXPENSES	-	(397,508)	(599,713)	(526,387)
ADMINISTRATIVE EXPENSES	(397,374)	(183,160)	(774,155)	(460,054)
TOTAL OPERATING EXPENSES	(1,990,416)	(1,248,476)	(4,464,432)	(1,654,249)
OPERATING PROFIT/ (LOSS)	6,162,654	(1,090,314)	9,262,660	(1,348,472)
FINANCE COSTS	(8,343,702)	-	(13,824,953)	-
LOSS BEFORE TAXATION	B15 (2,181,048)	(1,090,314)	(4,562,293)	(1,348,472)
INCOME TAX EXPENSE	B16 (1,436,097)	-	(2,301,453)	-
LOSS AFTER TAXATION	(3,617,145)	(1,090,314)	(6,863,746)	(1,348,472)
OTHER COMPREHENSIVE INCOME	-	-	-	-
TOTAL COMPREHENSIVE EXPENSE FOR THE FINANCIAL PERIOD/ YEAR	(3,617,145)	(1,090,314)	(6,863,746)	(1,348,472)
LOSS/ TOTAL COMPREHENSIVE EXPENSE FOR THE FINANCIAL PERIOD/ YEAR ATTRIBUTABLE TO:- Owners of the Company	(3,617,145)	(1,090,314)	(6,863,746)	(1,348,472)
LOSS PER SHARE (sen)				
- Basic	B17 (0.42)	(0.57)	(0.80)	(0.70)
- Diluted	B17 (0.42)	(0.57)	(0.80)	(0.70)

Note:

The Unaudited Condensed Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the financial year ended 30 September 2015 and accompanying explanatory notes in this interim financial report.

**UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016**

	← Non-distributable →			Share-based		Accumulated Losses RM	Total Equity RM
	Share Capital RM	Share Premium RM	Warrant Reserve RM	Payment Reserve RM	Reserve RM		
Audited							
At 1 October 2014	2	-	-	-	-	(31,881)	(31,879)
Loss/Total comprehensive expense for the financial year	-	-	-	-	-	(1,348,472)	(1,348,472)
Contribution by owners of the Company:							
- issuance of shares	2,000,000	7,780,000	220,000	-	-	-	10,000,000
- share-based payment	-	-	-	220,000	-	-	220,000
At 30 September 2015	2,000,002	7,780,000	220,000	220,000	-	(1,380,353)	8,839,649
Unaudited							
At 1 October 2015	2,000,002	7,780,000	220,000	220,000	-	(1,380,353)	8,839,649
Loss/Total comprehensive expense for the financial year	-	-	-	-	-	(6,863,746)	(6,863,746)
Contribution by owners of the Company:							
- public issue	8,000,000	8,960,000	15,040,000	-	-	-	32,000,000
- share issuance costs	-	(1,172,057)	-	-	-	-	(1,172,057)
- share-based payment	-	-	-	(220,000)	220,000	-	-
At 30 September 2016	10,000,002	15,567,943	15,260,000	-	-	(8,024,099)	32,803,846
		Note B12.1	Note B12.2	Note B12.3			

Note:

The Unaudited Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the financial year ended 30 September 2015 and accompanying explanatory notes in this interim financial report.

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016**

	UNAUDITED CURRENT YEAR ENDED 30.09.2016 RM	AUDITED PRECEDING YEAR ENDED 30.09.2015 RM
CASH FLOWS FOR OPERATING ACTIVITIES		
Loss before taxation	(4,562,293)	(1,348,472)
Adjustments for:-		
Share-based payment expenses	-	220,000
Depreciation of equipment	57,852	-
Investment income from Islamic short-term investments	(738,830)	(305,777)
Investment income from Islamic Murabahah deposit and other interest income	(12,988,262)	-
Listing expenses	599,713	526,387
Finance costs on financial liability component of Public Issue Shares	13,824,953	-
Operating loss before working capital changes	<u>(3,806,867)</u>	<u>(907,862)</u>
Decrease in other receivables, deposits and prepayments	364	13,834
(Decrease)/Increase in other payables and accruals	(3,978)	60,349
	<u>(3,810,481)</u>	<u>(833,679)</u>
Income taxes paid	(2,021,250)	-
NET CASH FOR OPERATING ACTIVITIES	<u>(5,831,731)</u>	<u>(833,679)</u>
CASH FLOWS FOR INVESTING ACTIVITIES		
Investment income received	8,356,374	-
Purchase of equipment	(136,433)	(56,309)
Purchase of Islamic short-term investments	(13,862,066)	(7,500,000)
Placement in Cash Trust Account	(374,061,469)	-
NET CASH FOR INVESTING ACTIVITIES	<u>(379,703,594)</u>	<u>(7,556,309)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares to Raintree F&B Sdn. Bhd. ("Raintree")	-	9,920,000
Proceeds from issuance of shares through IPO	400,000,000	-
Repayment to a related party	-	(1,930)
Payment of listing expenses	(14,957,357)	(819,454)
NET CASH FROM FINANCING ACTIVITIES	<u>385,042,643</u>	<u>9,098,616</u>
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	<u>(492,682)</u>	<u>708,628</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	<u>708,628</u>	<u>-</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	<u>215,946</u>	<u>708,628</u>
CASH AND CASH EQUIVALENTS COMPRISE:-		
Cash Trust Account	374,061,469	-
Bank balance	215,946	708,628
	<u>374,277,415</u>	<u>708,628</u>
Less: Placement in Cash Trust Account which are restricted in use	(374,061,469)	-
TOTAL CASH AND CASH EQUIVALENTS	<u>215,946</u>	<u>708,628</u>

Note:

The Unaudited Condensed Statement of Cash Flows should be read in conjunction with the audited financial statements of the Company for the financial year ended 30 September 2015 and accompanying explanatory notes in this interim financial report.

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PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

A1 Basis of Preparation

The Interim Financial Statements are unaudited and have been prepared in accordance with the reporting requirements as set out in the Malaysian Financial Reporting Standard (“MFRS”) 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standard Board (“MASB”) and Paragraph 9.22 of the Main Market Listing Requirements (“MLLR”) 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 30 September 2015 and the accompanying notes attached to the Unaudited Condensed Interim Financial Statements.

The explanatory notes attached to the unaudited condensed Interim 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 Red Sena Berhad (the “Company”) since the financial year ended 30 September 2015.

A2 Changes in Accounting Policies

The Company has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 14 Regulatory Deferral Accounts	1 January 2016
MFRS 15 Revenue from Contracts with Customers	1 January 2018
MFRS 16 Leases	1 January 2019
Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice
Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities - Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 15: Effective Date of MFRS 15	1 January 2018
Amendments to MFRS 15: Clarifications to MFRS 15 ‘Revenue from Contracts with Customers’	1 January 2018
Amendments to MFRS 101: Disclosure Initiative	1 January 2016
Amendments to MFRS 107: Disclosure Initiative	1 January 2017
Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture - Bearer Plants	1 January 2016
Amendments to MFRS 127: Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2012 - 2014 Cycle	1 January 2016

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A2 Changes in Accounting Policies (Cont'd)

The adoption of the above accounting standards and/ or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Company upon their initial application.

A3 Auditors' Opinion on Preceding Annual Financial Statements

The Company's financial statements for the financial year ended 30 September 2015 were not subject to any 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 year under review.

- (i) On 4 December 2015, the Company increased its issued and paid-up capital from RM2,000,002 to RM10,000,002 by way of issuance of 800,000,000 ordinary shares of RM0.01 each together with 800,000,000 Warrants at an issue price of RM0.50 for every one ordinary share together with one Warrant, during its IPO, for a total cash consideration of RM400,000,000.

In compliance with the Securities Commission Malaysia ("SC")'s Equity Guidelines for Special Purpose Acquisition Company ("SPAC"), a SPAC must place at least 90% of the gross proceeds from its Initial Public Offering ("IPO") in a trust account. The Company indeed placed 92% of the IPO funds raised amounting to RM368,000,000 which are held in trust by the Company's independent custodian. The remaining 8% amounting to RM32,000,000 was transferred to operating account to fund IPO costs, operational expenses and costs related to identifying, evaluating and acquiring target qualifying assets.

The Company incurred listing expenses amounting to RM15,788,411. Out of this total, RM1,172,057 was offset against the share premium account and RM599,713 (2015: RM526,387) was expensed off to the statement of profit or loss and other comprehensive income. The remaining sum of RM13,478,654 has been set off against the Financial Liability Component of the Public Issue Shares.

- (ii) On 10 December 2015, all the ordinary shares and Warrants were successfully listed on the Main Market of Bursa Securities.

A6 Material Changes in Estimates

There were no significant changes in estimates that have a material effect on the current financial year under review.

A7 Borrowing, Debt and Equity Security

There were no issuances, cancellations, repurchases, resale and repayments of borrowings, debt and equity securities during the financial year ended 30 September 2016.

A8 Dividend Paid

There was no dividend declared or paid during the current financial year ended 30 September 2016.

A9 Segmental Reporting

The segmental financial information by operating segments is not presented as the Company currently has no operation or income-generating business.

A10 Valuation of Property, Plant and Equipment

There was no valuation of the property, plant and equipment performed for the current financial year under review.

A11 Material Events Subsequent to the end of the Interim Period

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

A12 Changes in the Composition of the Company

There were no changes in the composition of the Company during the current financial year under review.

A13 Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets as the date of this report.

A14 Operating Lease Commitments

The Company leased premises under operating lease. The lease period is for two years with an option to renew after two years.

	UNAUDITED 30.09.16 RM	AUDITED 30.09.15 RM
Less than one year	42,075	42,075
Between one and five years	-	42,075
	<hr/> 42,075	<hr/> 84,150

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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016

PART B: ADDITIONAL NOTES REQUIRED UNDER CHAPTER 9 OF THE BURSA SECURITIES'S MMLR

B1 REVIEW OF RESULTS

For 2nd half and full year ended 30 September 2016

Red Sena Berhad was listed as a SPAC on the Main Market of Bursa Securities on 10 December 2015.

As a SPAC, the Company currently does not have any business operations and will not have any income generating activities until a Qualifying Acquisition (“QA”) has been completed. As such, the Company will continue to record a loss before taxation during the pre-acquisition period.

The Company derives its “Other Income” mainly from its funds invested in Islamic cash management funds and permitted investments under the Cash Trust Account (as defined in the Equity Guidelines issued by the SC). The major items of expenditure are the remuneration for the Management Team and amortisation of the deferred listing expenses.

During the 2nd half year ended 30 September 2016, the Company earned profit income from Islamic deposit of RM407,174 (six-month period ended 30.9.2015: RM158,162) and investment income from Islamic Murabahah deposits under the Cash Trust Account of RM7,743,434 (six-month period ended 30.9.2015: Nil).

For the financial year ended 30 September 2016, the Company recorded other income of RM13,727,092 (2015: RM305,777). After deducting operating expenses of RM4,464,432 (2015: RM1,654,249) and finance costs of RM13,824,953 (2015: Nil), the Company incurred a net loss before taxation of RM4,562,293 (2015: RM1,348,472).

The operating expenses incurred by the Company consisted of the following:

	INDIVIDUAL 6 MONTHS		CUMULATIVE 12 MONTHS	
	UNAUDITED CURRENT 2 ND HALF YEAR PERIOD TO 30.09.2016 RM	UNAUDITED PRECEDING CORRESPONDING 2 ND HALF YEAR PERIOD TO 30.09.2015 RM	UNAUDITED 12 MONTHS TO 30.09.2016 RM	AUDITED 12 MONTHS TO 30.09.2015 RM
Executive directors' remuneration	589,731	269,410	1,179,372	269,410
Non-executive directors' fees	114,000	77,000	228,000	77,000
Staff costs (including key management personnel)	971,227	398,398	1,853,340	398,398
Listing expenses	-	397,508	599,713	526,387
Meeting and conference expenses	-	6,000	73,177	6,000
Others	315,458	100,160	530,830	377,054
	1,990,416	1,248,476	4,464,432	1,654,249

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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016

B1 REVIEW OF RESULTS (CONT'D)

For 2nd half and full year ended 30 September 2016 (Cont'd)

The remuneration for key management personnel, Executive Directors and other personnel comprise of salaries, allowances and other related costs.

The Company incurred listing expenses amounting to RM15,788,411 (including placement fees and underwriting commission). The amount of RM1,172,057 was set off against the share premium account and RM599,713 (2015: RM526,387) was expensed off against the statement of comprehensive income. The remaining sum of RM13,478,654 has been set off against the Financial Liability Component of the Public Issue Shares.

Meeting and conference expenses incurred consist of annual general meeting expenses, printing of reports and advertisement.

B2 MATERIAL CHANGE IN LOSS BEFORE TAXATION IN COMPARISON TO THE PRECEDING HALF-YEAR

In the 2nd half year ended 30 September 2016, the Company recorded a loss before taxation of RM2,181,048 compared to the preceding half year financial period ended 30 September 2015 of loss before taxation of RM1,090,314. This is mainly due to the full six months impact of the finance cost as compared to approximately four months during the preceding period.

B3 PROGRESS/PROSPECTS

In searching for a potential QA, our Management Team has reached out to their business contacts and network and met with both local and overseas consultants, bankers and M&A specialists in the Target Countries to explain the screening criteria adopted by the Company for a potential QA candidate.

Arising from leads generated from the above process, the Company has concluded screening and is currently conducting preliminary evaluation on a number of potential QA candidates.

As part of the acquisition process, the Company is currently evaluating the shortlisted candidates, which involved detailed analysis of their financials, developing financial models and potential growth strategies for the purpose of preparing preliminary valuation. The Management Team will continue to be on the lookout for other promising QA targets which may arise in the future.

The Company has engaged both an investment bank as principal adviser and a firm of solicitors to ensure that the potential QA is consistent with the criteria set out in our Prospectus as well as in full compliance with the regulatory requirements. The advisers' fees are mainly structured on success basis.

The Board remains confident that the Company will be able to secure a QA candidate within the permitted timeframe.

B4 FINANCIAL FORECAST/PROFIT GUARANTEE

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

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016**

B5 PURCHASE OR DISPOSAL OF QUOTED SECURITIES

There was no purchase or disposal of quoted securities during the financial year ended 30 September 2016.

B6 STATEMENT ON ABNORMAL CIRCUMSTANCES

The directors confirm that there are no abnormal circumstances that had affected or will affect the business or financial position of the Company.

B7 EQUIPMENT

	Capital work in progress RM	Leasehold improvement RM	Furniture and fittings RM	Other Equipment RM	Total RM
<u>Unaudited</u>					
<i>Cost</i>					
As at 01.10.15	56,309	-	-	-	56,309
Additions	-	62,953	60,695	12,785	136,433
Reclassification	(56,309)	56,309	-	-	-
As at 30.09.16	-	119,262	60,695	12,785	192,742
<i>Accumulated depreciation</i>					
As at 01.10.15	-	-	-	-	-
Charge for the year	-	36,441	18,389	3,022	57,852
As at 30.09.16	-	36,441	18,389	3,022	57,852
<i>Net Book Value</i>					
As at 30.09.16	-	82,821	42,306	9,763	134,890
<u>Audited</u>					
<i>Cost/Net book value</i>					
As at 01.10.14	-	-	-	-	-
Additions	56,309	-	-	-	56,309
As at 30.09.15	56,309	-	-	-	56,309

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016****B8 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS**

	UNAUDITED 30.09.16 RM	AUDITED 30.09.15 RM
Other receivables	6,000	6,000
Deposits	13,475	25,263
Prepayments	24,426	306,069
Accrued Islamic Murabahah income under the Cash Trust Account	4,631,888	-
	<u>4,675,789</u>	<u>337,332</u>

B9 SHORT-TERM INVESTMENTS

	UNAUDITED 30.09.16 RM	AUDITED 30.09.15 RM
Short-term investments consist of surplus funds placed in Islamic Cash Management Funds:		
- RHB Asset Management Sdn. Bhd.	15,430,450	5,170,222
- AFFIN Hwang Asset Management Berhad	6,976,223	2,635,555
	<u>22,406,673</u>	<u>7,805,777</u>

The short-term investments bore an effective rate of return ranging from 3.3% to 4.0% and are exempted from income tax.

B10 CASH TRUST ACCOUNT

The SC Guidelines require that the funds held in trust be placed in permitted investments namely Malaysian Government Securities, money market instruments and AAA-rated papers. In the event the Company fails to complete a QA within the permitted timeframe, the amount then held in custodian account (net of any taxes payable and direct expenses related to the liquidation), will be distributed to the respective shareholders. The Company invested the IPO funds in Permitted Investments as defined in the SC's Equity Guidelines. From the date of Listing on 10 December 2015, the proceeds are invested in the following banks:

	UNAUDITED 30.09.16 RM	AUDITED 30.09.15 RM
RHB Bank Berhad	171,706,127	-
CIMB Bank Berhad	102,206,027	-
Maybank Islamic Berhad	100,149,315	-
	<u>374,061,469</u>	<u>-</u>

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016**
B10 CASH TRUST ACCOUNT (CONT'D)

The deposits placed by the Company with the licensed bank are under the Islamic Murabahah money market. The tenure will depend on the timing of the Company's cash requirement in completing a QA. The investment in the Cash Trust Account currently enjoys a return ranging from 4.0% to 4.4% per annum.

B11 SHARE CAPITAL

	UNAUDITED 30.09.16 Number of ordinary shares	AUDITED 30.09.15 Number of ordinary shares	UNAUDITED 30.09.16 Amount (RM)	AUDITED 30.09.15 Amount (RM)
<i>Ordinary shares of RM0.01 each:-</i>				
Authorised				
At 1 October 2015/ 2014	2,500,000,000	500,000,000	25,000,000	5,000,000
Creation during the year	-	2,000,000,000	-	20,000,000
At 30 September	<u>2,500,000,000</u>	<u>2,500,000,000</u>	<u>25,000,000</u>	<u>25,000,000</u>
Issued and Fully Paid-Up				
At 1 October 2015/ 2014	200,000,200	200	2,000,002	2
Issuance of new shares	800,000,000	200,000,000	8,000,000	2,000,000
At 30 September	<u>1,000,000,200</u>	<u>200,000,200</u>	<u>10,000,002</u>	<u>2,000,002</u>

Pursuant to the IPO which culminated in shares and being issued on 4 December 2015, the Company issued 800,000,000 ordinary shares of RM0.01 at RM0.50 each.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

B12 RESERVES**B12.1 SHARE PREMIUM**

The share premium is not distributable by way of dividends and may be utilised in the manner set out in Section 60(3) of the Companies Act 1965.

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016****B12 RESERVES (CONT'D)**

B12.2 WARRANT RESERVE

	UNAUDITED 30.09.16 RM	AUDITED 30.09.15 RM
At 1 October 2015/2014	220,000	-
Arising from issuance of shares to Management Team	-	220,000
Arising from Public Issue Shares	15,040,000	-
At 30 September	<u>15,260,000</u>	<u>220,000</u>

During the current financial year, the Warrant reserve arose from proceeds received from the IPO investors by reference to the fair value of the Warrants, amounting to RM0.2347 per Warrant.

The fair value of the Warrants to the IPO investors is estimated using the Binomial Option Pricing Model based on the following key assumptions:-

(i)	Issue price	RM0.50 per Public Issue Share
(ii)	Exercise price	RM0.50 per Warrant
(iii)	Tenure of the warrants	Eight (8) years from the listing date of the Shares, or three (3) years from the listing date if the qualifying acquisition is not completed within the permitted timeframe.
(iv)	Non-exercisable period	One and a half (1.5) years between IPO and completion of qualifying acquisition.
(v)	Exercisable period	Six and a half (6.5) years commencing from and inclusive of the date of completion of qualifying acquisition up to and including the expiry date of completion.
(vi)	Risk free interest rate	3.53%
(vii)	Expected dividend yield	0.00%
(viii)	Expected share price volatility	35.80%

The following basis are used in respect of the key assumptions:-

- (a) The risk free interest rate is based on the 5-year Malaysian Government Securities (conventional rate) on 21 July 2015.
- (b) The expected share price volatility was based on average of the 5-year historical volatility of a portfolio of public listed companies operating within the food and beverage industry as at 21 July 2015.
- (c) The expected dividend yield is based on management's expectation.

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016****B12 RESERVES (CONT'D)****B12.2 WARRANT RESERVE (CONT'D)**

The amount allocated to each component instrument is as follows:-

	RM
Share capital	0.0100
Share premium	0.0112
Warrant reserve	0.0188
	<hr/>
Equity component	0.0400
Financial liability component of Public Issue Shares	0.4600
	<hr/>
	0.5000
	<hr/>

The salient terms of the Warrants are as follows:-

Issue price	The Warrants are issued for free.
Form	The Warrants were issued in registered form and constituted by a Deed Poll which has been executed by the Company.
Expiry Date	8 years from the date of listing or 3 years from the date of listing if qualifying acquisition is not completed within the time permitted of 3 years from the date of listing.
Exercise period	Subject to completion of the qualifying acquisition within the permitted timeframe, the Warrants can be exercised anytime during the period commencing from and inclusive of the date of completion of the qualifying acquisition up to and including the expiry date. Any warrants which are not exercised during the exercise period will lapse and cease to be valid.
Exercise Price	RM0.50 per Warrant, subject to adjustments in accordance with the provisions of the Deed Poll.
Exercise Rights	Each Warrant holder shall be entitled to subscribe for 1 new ordinary share for every 1 Warrant held, at the Exercise Price at any time during the exercise period, subject to adjustments in accordance with the provisions of the Deed Poll.
Listing	Main Market of Bursa Securities.

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016****B12 RESERVES (CONT'D)****B12.2 WARRANT RESERVE (CONT'D)**

The salient terms of the Warrants are as follows (cont'd):-

Rights of the Warrant holders	The Warrant holders are not entitled to any voting rights at general meetings of the Company or the right to participate in any dividends, rights, allotments and/or other distributions from time to time implemented by the Company.
Ranking	The new ordinary shares arising from the exercise of Warrants shall, upon allotment and issuance, rank pari passu with the then existing shares, save and except that they will not carry any voting rights at general meetings of the Company unless the name of the holders appear in the record of depositors and they will not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which precedes the date of allotment of the new ordinary shares.
Transferability	The Warrants are transferable in the manner in accordance with the Deed Poll and any appendices thereto, subject always to the provisions of Securities Industry (Central Depositories) Act, 1991 and the Rules of Bursa Malaysia Depository Sdn. Bhd.

B12.3 SHARE-BASED PAYMENT RESERVE

The share-based payment reserve arose from services rendered by the Promoters in relation to the initial public offering exercise of the Company. During the current financial year, the share-based payment reserve was transferred to accumulated losses upon the completion of the Company's listing on the Main Market of Bursa Malaysia Securities Berhad.

B13 FINANCIAL LIABILITY COMPONENT OF THE PUBLIC ISSUE SHARES

	UNAUDITED 30.09.16 RM	AUDITED 30.09.15 RM
92.00% of the IPO funds	368,000,000	-
Less: Shares issuance costs	(13,478,654)	-
Add: Islamic Murabahah income:		-
- RHB Islamic Bank Berhad	5,832,459	-
- CIMB Islamic Bank Berhad	3,471,703	-
- Maybank Islamic Bank Berhad	3,452,138	-
Less: Provision for income tax	(2,260,351)	-
Add: Amortisation of share issuance costs	3,329,004	-
	<u>368,346,299</u>	<u>-</u>

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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016

B13 FINANCIAL LIABILITY COMPONENT OF THE PUBLIC ISSUE SHARES (CONT'D)

At the reporting date, the financial liability component is represented by the monies in the Cash Trust Account and bears the interest at 4.0% per annum.

The Equity Guidelines requires inter alia the following:

- (i) The Company must place at least 90% of the gross proceeds from its IPO in a Cash Trust Account immediately upon receipt of all proceeds ("IPO Custodian Trust Proceeds"). The amount in the custodian account may only be released by the custodian upon termination of the Cash Trust Account;
- (ii) The proceeds in the Cash Trust Account may be invested in permitted investments. Any income generated by the funds held in the trust account, including profit/dividend income derived from the permitted investments, must accrue to the Cash Trust Account;
- (iii) The balance of the proceeds from the IPO, being a maximum of 10% of the proceeds, may be utilised to defray expenses related to the IPO and for working capital purposes including but not limited to financing day-to-day administrative and operating expenses which include office rental and expenses associated with the QA; and
- (iv) In the event the Company fails to complete a QA within the permitted timeframe, it must be liquidated. The amount then held in the Cash Trust Account (net of any tax payable and direct expenses related to the liquidation), must be distributed to the respective shareholders except for Raintree on a pro-rata basis as soon as practicable, as permissible by the relevant laws and regulations ("Liquidation Distribution"). Raintree shall not participate in the Liquidation Distribution, except for securities purchased by them after the date of listing of the Company on the Bursa Securities.

Consequently, the public issue share is a compound financial instrument with a financial liability and equity component in accordance with MFRS 132 Financial Instruments: Presentation and FRSIC Consensus 20 Classification of the IPO Investor Securities of a SPAC. The financial liability component being the fair value of the 92% of the gross proceeds represents the Company's obligation to refund the IPO Custodian Trust Proceeds held in the Cash Trust Account to the IPO investors in the event the Company fails to complete a QA within the permitted timeframe.

B14 OTHER PAYABLES AND ACCRUALS

	UNAUDITED 30.09.16 RM	AUDITED 30.09.15 RM
Other payables	7,513	14,780
Accruals	56,906	53,617
	<hr/> 64,419	<hr/> 68,397

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016****B15 LOSS BEFORE TAXATION**

	INDIVIDUAL 6 MONTHS		CUMULATIVE 12 MONTHS	
	UNAUDITED CURRENT 2 ND HALF YEAR PERIOD TO 30.09.2016 RM	UNAUDITED PRECEDING CORRESPONDING 2 ND HALF YEAR PERIOD TO 30.09.2015 RM	UNAUDITED 12 MONTHS TO 30.09.2016 RM	AUDITED 12 MONTHS TO 30.09.2015 RM
Loss before taxation is arrived at after charging/crediting):-				
Auditor's remuneration				
- statutory audit	20,000	20,000	20,000	20,000
- other services	8,000	10,000	8,000	10,000
Depreciation of equipment	32,084	-	57,852	-
Directors' fees	114,000	77,000	228,000	77,000
Directors' non-fee emoluments:				
- salaries and allowances	496,251	226,690	992,412	226,690
- defined contribution plan	93,480	42,720	186,960	42,720
Staff costs (including key management personnel):				
- salaries and allowances	823,593	335,345	1,566,685	335,345
- defined contribution plan	147,635	63,053	286,655	63,053
Finance costs on financial liability components of Public Issue Shares	8,343,702	-	13,824,953	-
Listing expenses	-	397,508	599,713	526,387
Office rental	21,558	25,948	54,139	56,695
Share-based payment expenses	-	-	-	220,000
Investment income from Islamic short-term investments	(407,174)	(158,162)	(738,830)	(305,777)
Islamic Murabahah investment income under Cash Trust Account	(7,743,434)	-	(12,756,300)	-
Other interest income	(2,462)	-	(231,962)	-

The payment of remuneration to the Management Team only commenced after the Company received approval for the IPO from the SC on 9 July 2015. Under the Equity Guidelines issued by the SC, the Management Team's remuneration must not be paid from the IPO proceeds.

B16 INCOME TAX EXPENSE

	INDIVIDUAL 6 MONTHS		CUMULATIVE 12 MONTHS	
	UNAUDITED CURRENT 2 ND HALF YEAR PERIOD TO 30.09.2016 RM	UNAUDITED PRECEDING CORRESPONDING 2 ND HALF YEAR PERIOD TO 30.09.2015 RM	UNAUDITED 12 MONTHS TO 30.09.2016 RM	AUDITED 12 MONTHS TO 30.09.2015 RM
Current tax expense	1,436,097	-	2,301,453	-

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016**
B16 INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Company is as follows:

	6 MONTHS ENDED		12 MONTHS ENDED	
	UNAUDITED CURRENT 2 ND HALF YEAR PERIOD TO 30.09.2016 RM	UNAUDITED PRECEDING CORRESPONDING 2 ND HALF YEAR PERIOD TO 30.09.2015 RM	UNAUDITED 12 MONTHS TO 30.09.2016 RM	AUDITED 12 MONTHS TO 30.09.2015 RM
Loss before taxation	(2,181,048)	(1,090,314)	(4,562,293)	(1,348,472)
Tax at statutory rate of 24% (2015: 25%)	(523,452)	(272,578)	(1,094,950)	(337,118)
Tax effect of:-				
Non-taxable income	(97,722)	(39,541)	(177,319)	(76,444)
Non-deductible expenses	2,057,271	312,119	3,573,722	413,562
	1,436,097	-	2,301,453	-

The tax rate for the Company has been reduced from 25% to 24% due to the change in Malaysian corporate tax rate that was announced during the Malaysian Budget 2014.

B17 LOSS PER SHARE

	6 MONTHS ENDED		12 MONTHS ENDED	
	30.09.2016 RM	30.09.2015 RM	30.09.2016 RM	30.09.2015 RM
Loss after tax attributable to the owners of the Company	(3,617,145)	(1,090,314)	(6,863,746)	(1,348,472)
Weighted average number of ordinary shares:-				
As at 1 April/October	200,000,200	200	200,000,200	200
Effects of shares issued during the financial year	660,109,290	192,876,712	660,109,290	192,876,712
Weighted average number of ordinary shares in issue	860,109,490	192,876,912	860,109,490	192,876,912
Loss per share (sen)				
- Basic	(0.42)	(0.57)	(0.80)	(0.70)
- Diluted	(0.42)	(0.57)	(0.80)	(0.70)

The diluted loss per share of the Company in the current financial year is the same as the basic loss per share as the assumed conversion of the warrants would be anti-dilutive.

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016****B18 COMPARATIVE FIGURES**

The following figures have been reclassified to conform with the presentation of the current financial year:-

	As Restated	As Previously Reported
	RM	RM
Unaudited Condensed Statement of Cash Flows (Extract):-		
Net cash for operating activities	(833,679)	(1,653,133)
Net cash from financing activities	9,098,616	9,918,070

B19 SUPPLEMENTARY INFORMATION - DISCLOSURE OF REALISED AND UNREALISED PROFITS/LOSSES

The breakdown of the accumulated losses of the Company at the end of the reporting period into realised and unrealised profit/(losses) are presented in accordance with the directive issued by Bursa Securities and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities MMLR, as issued by the Malaysian Institute of Accountants, as follows:-

	UNAUDITED	AUDITED
	30.09.2016	30.09.2015
	RM	RM
Total accumulated losses of the Company:-		
- Realised	(8,024,099)	(1,380,353)
- Unrealised	-	-

BY ORDER OF THE BOARD
TAN ENG GUAN
EXECUTIVE DIRECTOR / CHIEF EXECUTIVE OFFICER

16 NOVEMBER 2016