



RED SENA BERHAD

(Incorporated in Malaysia)

Company No: 1109132 - P

**REPORT ON
THE FINANCIAL RESULTS
FOR THE 1ST HALF YEAR ENDED
31 MARCH 2017**

(“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 31 MARCH 2017

	Note	UNAUDITED 31.03.2017 RM	AUDITED 30.09.2016 RM
ASSETS			
NON-CURRENT ASSET			
Equipment	B7	102,767	134,890
CURRENT ASSETS			
Other receivables, deposits and prepayments	B8	4,508,447	4,675,789
Short-term Islamic investments	B9	20,854,775	22,406,673
Cash Trust Account	B10	380,074,660	374,061,469
Bank balances		113,924	215,946
		405,551,806	401,359,877
TOTAL ASSETS		405,654,573	401,494,767
EQUITY AND LIABILITIES			
EQUITY			
Share capital	B11	25,567,945	10,000,002
Reserves	B12	15,260,000	30,827,943
Accumulated losses		(11,863,337)	(8,024,099)
TOTAL EQUITY		28,964,608	32,803,846
NON-CURRENT LIABILITY			
Financial liability component of the Public Issue Shares	B13	376,530,322	368,346,299
CURRENT LIABILITIES			
Other payables and accruals	B14	61,003	64,419
Current tax liabilities		98,640	280,203
		159,643	344,622
TOTAL LIABILITIES		376,689,965	368,690,921
TOTAL EQUITY AND LIABILITIES		405,654,573	401,494,767
NET ASSETS PER SHARE (RM) #		0.029	0.033

Notes:

The net assets per share as at 31 March 2017 and 30 September 2016 is computed based on 1,000,000,200 ordinary shares 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 2016 and accompanying explanatory notes in this Interim Financial Statements.

**UNAUDITED CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 1ST HALF YEAR ENDED 31 MARCH 2017**

	Note	INDIVIDUAL 6 MONTHS		CUMULATIVE 6 MONTHS	
		UNAUDITED CURRENT 1 ST HALF YEAR ENDED 31.03.2017 RM	UNAUDITED CORRESPONDING 1 ST HALF YEAR ENDED 31.03.2016 RM	UNAUDITED 6 MONTHS ENDED 31.03.2017 RM	UNAUDITED 6 MONTHS ENDED 31.03.2016 RM
REVENUE		-	-	-	-
OTHER INCOME		7,781,403	5,574,022	7,781,403	5,574,022
EMPLOYEE BENEFITS EXPENSE	B1	(1,523,129)	(1,471,754)	(1,523,129)	(1,471,754)
DEPRECIATION		(32,123)	(25,768)	(32,123)	(25,768)
LISTING EXPENSES		-	(599,713)	-	(599,713)
ADMINISTRATIVE EXPENSES		(484,799)	(376,781)	(484,799)	(376,781)
TOTAL OPERATING EXPENSES		(2,040,051)	(2,474,016)	(2,040,051)	(2,474,016)
OPERATING PROFIT		5,741,352	3,100,006	5,741,352	3,100,006
FINANCE COSTS	B1	(8,184,023)	(5,481,251)	(8,184,023)	(5,481,251)
LOSS BEFORE TAXATION		(2,442,671)	(2,381,245)	(2,442,671)	(2,381,245)
INCOME TAX EXPENSE	B15	(1,396,567)	(865,356)	(1,396,567)	(865,356)
LOSS AFTER TAXATION		(3,839,238)	(3,246,601)	(3,839,238)	(3,246,601)
OTHER COMPREHENSIVE INCOME		-	-	-	-
TOTAL COMPREHENSIVE EXPENSE FOR THE FINANCIAL PERIOD		(3,839,238)	(3,246,601)	(3,839,238)	(3,246,601)
LOSS/ TOTAL COMPREHENSIVE EXPENSE FOR THE FINANCIAL PERIOD ATTRIBUTABLE TO:-					
Owners of the Company		(3,839,238)	(3,246,601)	(3,839,238)	(3,246,601)
LOSS PER SHARE (sen)					
- Basic	B16	(0.38)	(0.70)	(0.38)	(0.70)
- Diluted	B16	(0.38)	(0.70)	(0.38)	(0.70)

Notes:

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 2016 and accompanying explanatory notes in this Interim Financial Statements.

**UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE 1ST HALF YEAR ENDED 31 MARCH 2017**

	← Non-distributable →		Share-based			
	Share Capital RM	Share Premium RM	Warrant Reserve RM	Payment Reserve RM	Accumulated Losses RM	Total Equity RM
Unaudited 6 months to 31.03.2016						
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 period	-	-	-	-	(3,246,601)	(3,246,601)
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 31 March 2016	10,000,002	15,567,943	15,260,000	-	(4,406,954)	36,420,991
Unaudited 6 months to 31.03.2017						
At 1 October 2016	10,000,002	15,567,943	15,260,000	-	(8,024,099)	32,803,846
Loss/Total comprehensive expense for the financial period	-	-	-	-	(3,839,238)	(3,839,238)
Transfer pursuant to Companies Act 2016	15,567,943	(15,567,943)	-	-	-	-
At 31 March 2017	25,567,945	-	15,260,000	-	(11,863,337)	28,964,608
	Note B11	Note B12				

Notes:

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 2016 and accompanying explanatory notes in this Interim Financial Statements.

RED SENA BERHAD

(Incorporated in Malaysia)
(Company No: 1109132 - P)

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE 1ST HALF YEAR ENDED 31 MARCH 2017**

	UNAUDITED CURRENT 1ST HALF YEAR ENDED 31.03.2017 RM	UNAUDITED CORRESPONDING 1ST HALF YEAR ENDED 31.03.2016 RM
CASH FLOWS FOR OPERATING ACTIVITIES		
Loss before taxation	(2,442,671)	(2,381,245)
Adjustments for:-		
Depreciation of equipment	32,123	25,768
Investment income from Islamic short-term investments	(362,102)	(331,656)
Investment income from Islamic Murabahah deposit and other interest income	(7,419,301)	(5,242,366)
Listing expenses	-	599,713
Finance costs on financial liability component of Public Issue Shares	8,184,023	5,481,251
Operating loss before working capital changes	<u>(2,007,928)</u>	<u>(1,848,535)</u>
Increase in other receivables, deposits and prepayments	(39,244)	(54,636)
Decrease in other payables and accruals	(3,416)	(29,578)
	<u>(2,050,588)</u>	<u>(1,932,749)</u>
Income tax paid	(1,578,130)	-
NET CASH FOR OPERATING ACTIVITIES	<u>(3,628,718)</u>	<u>(1,932,749)</u>
CASH FLOWS FROM / (FOR) INVESTING ACTIVITIES		
Investment income received	7,625,887	229,500
Purchase of equipment	-	(135,488)
Redemption / (Purchase) of short-term Islamic investments	1,914,000	(15,000,000)
Placement in Cash Trust Account	(6,013,191)	(368,000,000)
NET CASH FROM / (FOR) INVESTING ACTIVITIES	<u>3,526,696</u>	<u>(382,905,988)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares through IPO	-	400,000,000
Payment of listing expenses	-	(14,957,357)
NET CASH FROM FINANCING ACTIVITIES	<u>-</u>	<u>385,042,643</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(102,022)	203,906
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	215,946	708,628
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>113,924</u>	<u>912,534</u>
CASH AND CASH EQUIVALENTS COMPRISE:-		
Cash Trust Account	380,074,660	368,000,000
Bank balance	113,924	912,534
	<u>380,188,584</u>	<u>368,912,534</u>
Less: Placement in Cash Trust Account which are restricted in use	(380,074,660)	(368,000,000)
TOTAL CASH AND CASH EQUIVALENTS	<u>113,924</u>	<u>912,534</u>

Notes:

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 2016 and accompanying explanatory notes in this Interim Financial Statements.

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 (“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 30 September 2016 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 2016.

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 period:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 9 Financial Instruments (IFRS 9 as issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2018
MFRS 16 Leases	1 January 2019
IC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018
Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	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 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 107: Disclosure Initiative	1 January 2017
Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to MFRS 140: Transfers of Investment Property	1 January 2018
Annual Improvements to MFRS Standards 2014 – 2016 Cycles:	
• Amendments to MFRS 1: Deletion of Short-term Exemptions for First-time Adopters	1 January 2018
• Amendments to MFRS 12: Clarification of the Scope of Standard	1 January 2017
• Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value	1 January 2018

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 2016 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

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.

A6 Material Changes in Estimates

There were no significant changes in estimates that have a material effect on the current financial period 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 period ended 31 March 2017.

A8 Dividend Paid

There was no dividend declared or paid during the current financial period ended 31 March 2017.

A9 Segmental Reporting

The segmental financial information by operating segments is not presented as the Company currently has no operations 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 period 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 period under review.

A13 Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets as the date of this Interim Financial Statements.

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 31.03.2017 RM	AUDITED 30.09.2016 RM
Less than one year	19,125	42,075

RED SENA BERHAD

(Incorporated in Malaysia)

Company No: 1109132 - P

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE 1ST HALF YEAR ENDED 31 MARCH 2017****PART B: ADDITIONAL NOTES REQUIRED UNDER CHAPTER 9 OF THE BURSA SECURITIES'S
MMLR****B1 REVIEW OF RESULTS****For 1st half year ended 31 March 2017**

Red Sena Berhad as a SPAC will only generate revenue once it has completed the Qualifying Acquisition ("QA").

The Company recorded a loss before taxation of RM2,442,671 for the 1st half year ended 31 March 2017 compared to the loss before taxation of RM2,381,245 for the corresponding 1st half year ended 31 March 2016. For the 1st half year ended 31 March 2017, the Company's income was mainly derived from the investment income from Islamic Murabahah deposits under the Cash Trust Account of RM7,419,211 (31.03.2016: RM5,012,866) and short-term Islamic investments of RM362,102 (31.03.2016: RM331,656). The higher income is mainly due to the full six months impact of the Islamic Murabahah income for the current financial period under review compared to approximately four months during the corresponding half year period.

Overall, the major expenses were comparable to the corresponding period ended 31 March 2016. There was no listing expenses incurred which resulted in the overall reduction in operating expenses in the current financial period under review.

Finance cost for the period showed an increase of around 49% compared to the corresponding period ended 31 March 2016 in consonant with the higher investment income from the Islamic Murabahah deposits under the Cash Trust Account.

The expenses incurred by the Company consisted of the following:

	INDIVIDUAL 6 MONTHS		CUMULATIVE 6 MONTHS	
	UNAUDITED CURRENT 1 ST HALF YEAR ENDED 31.03.2017 RM	UNAUDITED CORRESPONDING 1 ST HALF YEAR ENDED 31.03.2016 RM	UNAUDITED 1 ST HALF YEAR ENDED 31.03.2017 RM	UNAUDITED 1 ST HALF YEAR ENDED 31.03.2016 RM
Included in:-				
Employee benefits expenses:				
Salaries & allowances				
- Staff costs (including key management personnel)	933,338	882,113	933,338	882,113
- Executive directors	589,791	589,641	589,791	589,641
Listing expenses	-	599,713	-	599,713
Administrative expenses:				
Meeting and conference	59,949	73,177	59,949	73,177
Directors' fee	114,000	114,000	114,000	114,000
Professional fees	93,720	38,385	93,720	38,385
Others	249,253	176,987	249,253	176,987
Operating expenses	2,040,051	2,474,016	2,040,051	2,474,016
Finance costs	8,184,023	5,481,251	8,184,023	5,481,251

RED SENA BERHAD

(Incorporated in Malaysia)

Company No: 1109132 - P

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 1ST HALF YEAR ENDED 31 MARCH 2017

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

In the 1st half year ended 31 March 2017, the Company recorded a loss before taxation of RM2,442,671 compared to the preceding half year ended 30 September 2016 of loss before taxation of RM2,181,048. The higher loss was mainly due to the increase in finance costs for the current period.

B3 PROGRESS/PROSPECTS

The search for a potential QA is ongoing. As mentioned in our last half yearly report, the Company concluded the screening stage and have embarked on preliminary evaluation of a number of potential QA candidates.

The Company have actively approached a number of potential QA candidates arising from our preliminary evaluation on them. A broad outline of the responses received from the approaches made are as follows:

- (a) A number of respondents were either unwilling or not interested in divesting;
- (b) Some responded with valuation expectations which are considered either unattractive or beyond our Company's means;
- (c) Some were found to be unable to meet our QA criteria upon receipt of further clarification or information which we requested; and
- (d) Some requested for more details or time to digest our proposals.

Accordingly, the Company will continue to be on the lookout for promising QA candidates to broaden its pool of prospective targets.

The Management Team takes cognisance of the fact that henceforth we have an 18-month deadline for the Company to conclude a QA. Even before we embark on our quest, the Management Team was fully aware that securing a quality QA was not going to be easy. We will not however compromise on the soundness or quality of the QA solely because the deadline of the permitted timeframe is fast approaching.

As part of the proactive measures taken to address the tight deadline, we have our principal adviser and solicitors fully involved even before we approach our potential QA candidates. This would go a long way in ensuring full compliance of the QA and submission criteria. This would avoid technical issues cropping up after a Conditional Sale and Purchase Agreement has been signed and thereby reducing the time required to complete the process.

Notwithstanding the challenges outlined above, the Board remains cautiously optimistic that the Company will be able to secure a QA within the permitted timeframe given the steps taken to expedite the acquisition process.

B4 FINANCIAL FORECAST/PROFIT GUARANTEE

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

RED SENA BERHAD

(Incorporated in Malaysia)

Company No: 1109132 - P

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE 1ST HALF YEAR ENDED 31 MARCH 2017****B5 PURCHASE OR DISPOSAL OF QUOTED SECURITIES**

There was no purchase or disposal of quoted securities during the 1st half year ended 31 March 2017.

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 01.10.2016/ 31.03.2017	-	119,262	60,695	12,785	192,742
<i>Accumulated depreciation</i>					
As at 01.10.2016	-	36,441	18,389	3,022	57,852
Charge for the period	-	19,877	10,116	2,130	32,123
As at 31.03.2017	-	56,318	28,505	5,152	89,975
<i>Net Book Value</i>					
As at 31.03.2017	-	62,944	32,190	7,633	102,767
<u>Audited</u>					
<i>Cost</i>					
As at 01.10.2015	56,309	-	-	-	56,309
Additions	-	62,953	60,695	12,785	136,433
Reclassification	(56,309)	56,309	-	-	-
As at 30.09.2016	-	119,262	60,695	12,785	192,742
<i>Accumulated depreciation</i>					
As at 01.10.2015	-	-	-	-	-
Charge for the year	-	36,441	18,389	3,022	57,852
As at 30.09.2016	-	36,441	18,389	3,022	57,852
<i>Net Book Value</i>					
As at 30.09.2016	-	82,821	42,306	9,763	134,890

RED SENA BERHAD

(Incorporated in Malaysia)

Company No: 1109132 - P

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE 1ST HALF YEAR ENDED 31 MARCH 2017****B8 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS**

	UNAUDITED 31.03.2017 RM	AUDITED 30.09.2016 RM
Other receivables	4,428,204	4,637,888
Deposits	13,475	13,475
Prepayments	66,768	24,426
	<u>4,508,447</u>	<u>4,675,789</u>

Included in the other receivables is an amount of RM4,425,302 (30.09.2016: RM4,631,888) being investment income receivable from placement of Islamic Murabahah deposits under the Cash Trust Account.

B9 SHORT-TERM ISLAMIC INVESTMENTS

	UNAUDITED 31.03.2017 RM	AUDITED 30.09.2016 RM
Fair value through profit or loss:		
- RHB Asset Management Sdn. Bhd.	15,237,481	15,430,450
- AFFIN Hwang Asset Management Berhad	5,617,294	6,976,223
Market value of short-term Islamic investments	<u>20,854,775</u>	<u>22,406,673</u>

Short-term Islamic investments of the Company represent investment in highly liquid money market fund in Malaysia, which are readily convertible to known amounts of cash and cash equivalents and are subject to an insignificant risk of changes in value.

The short-term Islamic investments bore an effective rate of return ranging from 3.2% to 3.7% (30.09.2016: 3.3% to 4.0%) per annum and are tax exempt.

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. The proceeds are invested in the following banks:

	UNAUDITED 31.03.2017 RM	AUDITED 30.09.2016 RM
RHB Islamic Bank Berhad	200,206,109	171,706,127
CIMB Islamic Bank Berhad	179,115,923	102,206,027
Maybank Islamic Berhad	752,628	100,149,315
	<u>380,074,660</u>	<u>374,061,469</u>

RED SENA BERHAD

(Incorporated in Malaysia)

Company No: 1109132 - P

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE 1ST HALF YEAR ENDED 31 MARCH 2017****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 3.9% to 4.0% (30.09.2016: 4.0% to 4.4%) per annum.

B11 SHARE CAPITAL

	UNAUDITED 31.03.2017 Number of ordinary shares	AUDITED 30.09.2016	UNAUDITED 31.03.2017 Amount (RM)	AUDITED 30.09.2016
Issued and Fully Paid-Up				
At 1 October 2016/ 2015	1,000,000,200	200,000,200	10,000,002	2,000,002
Shares issued pursuant to the IPO	-	800,000,000	-	8,000,000
Transfer pursuant to Companies Act 2016	-	-	15,567,943	-
At 31 March 2017/ 30 September 2016	<u>1,000,000,200</u>	<u>1,000,000,200</u>	<u>25,567,945</u>	<u>10,000,002</u>

The Companies Act 2016 came into effect on 31 January 2017 (except for Section 241 and Division 8 of Part III of the said Act) and replaces the existing Companies Act 1965.

Amongst the key changes introduced under the Companies Act 2016 that will affect the Interim Financial Statements of the Company upon its initial adoption are:-

- (a) Removal of the authorised share capital;
- (b) Ordinary shares will cease to have par value; and
- (c) Share premium account will become part of the share capital.

The adoption of the Companies Act 2016 is to be applied prospectively. Therefore, the changes in the accounting policies and the possible impacts on the Interim Financial Statements upon its initial adoption are disclosed in the current Interim Financial Statements of the Company for the 1st half year ended 31 March 2017.

RED SENA BERHAD

(Incorporated in Malaysia)

Company No: 1109132 - P

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE 1ST HALF YEAR ENDED 31 MARCH 2017****B12 RESERVES**

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

	UNAUDITED 31.03.2017 RM	AUDITED 30.09.2016 RM
Share Premium		
At 1 October 2016/2015	15,567,943	7,780,000
Pursuant to Public Issue	-	8,960,000
Share issuance costs	-	(1,172,057)
Transfer pursuant to Companies Act 2016	(15,567,943)	-
	<hr/>	<hr/>
At 31 March 2017/30 September 2016	-	15,567,943
	<hr/>	<hr/>
Warrants		
At 1 October 2016/2015	15,260,000	220,000
Pursuant to Public Issue	-	15,040,000
	<hr/>	<hr/>
At 31 March 2017/30 September 2016	15,260,000	15,260,000
	<hr/>	<hr/>

B13 FINANCIAL LIABILITY COMPONENT OF THE PUBLIC ISSUE SHARES

	UNAUDITED 31.03.2017 RM	AUDITED 30.09.2016 RM
92.00% of the IPO funds	368,000,000	368,000,000
Less: Shares issuance costs	(13,478,654)	(13,478,654)
Add: Islamic Murabahah income:		
- RHB Islamic Bank Berhad	9,537,824	5,832,459
- CIMB Islamic Bank Berhad	6,375,437	3,471,703
- Maybank Islamic Bank Berhad	4,262,249	3,452,138
Less: Provision for income tax	(3,639,663)	(2,260,351)
Add: Amortisation of share issuance costs	5,473,129	3,329,004
	<hr/>	<hr/>
	376,530,322	368,346,299
	<hr/>	<hr/>

The financial liability component of the Public Issue Share represents the Company's obligation to refund the IPO Trust Proceeds held in the Cash Trust Account in the event that the Company fails to complete the Qualifying Acquisition within the Permitted Timeframe.

At the reporting date, the financial liability component is secured against the monies in the Cash Trust Account as disclosed in Note B10.

RED SENA BERHAD

(Incorporated in Malaysia)

Company No: 1109132 - P

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE 1ST HALF YEAR ENDED 31 MARCH 2017****B13 FINANCIAL LIABILITY COMPONENT OF THE PUBLIC ISSUE SHARES (CONT'D)**

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 31.03.2017 RM	AUDITED 30.09.2016 RM
Other payables	9,571	7,513
Accruals	51,432	56,906
	<u>61,003</u>	<u>64,419</u>

RED SENA BERHAD

(Incorporated in Malaysia)

Company No: 1109132 - P

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE 1ST HALF YEAR ENDED 31 MARCH 2017****B15 INCOME TAX EXPENSE**

	INDIVIDUAL 6 MONTHS		CUMULATIVE 6 MONTHS	
	UNAUDITED CURRENT 1 ST HALF YEAR ENDED 31.03.2017 RM	UNAUDITED CORRESPONDING 1 ST HALF YEAR ENDED 31.03.2016 RM	UNAUDITED 6 MONTHS ENDED 31.03.2017 RM	UNAUDITED 6 MONTHS ENDED 31.03.2016 RM
Income tax:				
- Current year	1,379,330	865,356	1,379,330	865,356
- Under provision in the previous year	17,237	-	17,237	-
Total income tax expense	1,396,567	865,356	1,396,567	865,356

A reconciliation of income tax expense applicable to loss 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		6 MONTHS ENDED	
	UNAUDITED CURRENT 1 ST HALF YEAR ENDED 31.03.2017 RM	UNAUDITED CORRESPONDING 1 ST HALF YEAR ENDED 31.03.2016 RM	UNAUDITED 6 MONTHS ENDED 31.03.2017 RM	UNAUDITED 6 MONTHS ENDED 31.03.2016 RM
Loss before taxation	(2,442,671)	(2,381,245)	(2,442,671)	(2,381,245)
Tax at statutory rate of 24%	(586,241)	(571,498)	(586,241)	(571,498)
Tax effect of:-				
Non-taxable income	(86,904)	(79,597)	(86,904)	(79,597)
Non-deductible expenses	2,052,475	1,516,451	2,052,475	1,516,451
Under provision in the previous year	17,237	-	17,237	-
	1,396,567	865,356	1,396,567	865,356

RED SENA BERHAD

(Incorporated in Malaysia)

Company No: 1109132 - P

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE 1ST HALF YEAR ENDED 31 MARCH 2017****B16 LOSS PER SHARE**

	UNAUDITED 6 MONTHS ENDED		UNAUDITED 6 MONTHS ENDED	
	31.03.2017 RM	31.03.2016 RM	31.03.2017 RM	31.03.2016 RM
Loss after tax attributable to the owners of the Company	(3,839,238)	(3,246,601)	(3,839,238)	(3,246,601)
Weighted average number of ordinary shares:-				
As at 1 October 2016/2015	1,000,000,200	200	1,000,000,200	200
Effects of shares issued during the financial period	-	460,821,918	-	460,821,918
Weighted average number of ordinary shares in issue	1,000,000,200	460,822,118	1,000,000,200	460,822,118
Loss per share (sen)				
- Basic	(0.38)	(0.70)	(0.38)	(0.70)
- Diluted	(0.38)	(0.70)	(0.38)	(0.70)

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

B17 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 31.03.2017 RM	AUDITED 30.09.2016 RM
Total accumulated losses of the Company:-		
- Realised	(11,863,337)	(8,024,099)
- Unrealised	-	-
	(11,863,337)	(8,024,099)

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

17 MAY 2017