



RED SENA BERHAD

(Incorporated in Malaysia)

Company No: 1109132 - P

**REPORT ON
THE FINANCIAL RESULTS
FOR THE 1ST HALF YEAR ENDED
31 MARCH 2018**

(“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 2018

	Note	UNAUDITED 31.03.2018 RM	AUDITED 30.09.2017 RM
ASSETS			
NON-CURRENT ASSET			
Equipment	B7	40,604	73,159
CURRENT ASSETS			
Other receivables, deposits and prepayments	B8	4,639,499	4,457,576
Short-term Islamic investments	B9	17,848,895	19,436,002
Cash Trust Account	B10	391,635,690	385,945,918
Bank balances		332,535	273,422
		414,456,619	410,112,918
TOTAL ASSETS		414,497,223	410,186,077
EQUITY AND LIABILITIES			
EQUITY			
Share capital	B11	25,567,945	25,567,945
Reserves	B12	15,260,000	15,260,000
Accumulated losses		(19,634,515)	(15,647,401)
TOTAL EQUITY		21,193,430	25,180,544
NON-CURRENT LIABILITY			
Financial liability component of the Public Issue Shares	B13	393,109,073	384,692,184
CURRENT LIABILITIES			
Other payables and accruals	B14	99,431	186,523
Current tax liabilities		95,289	126,826
		194,720	313,349
TOTAL LIABILITIES		393,303,793	385,005,533
TOTAL EQUITY AND LIABILITIES		414,497,223	410,186,077
NET ASSETS PER SHARE (RM) #		0.021	0.025

Notes:

The net assets per share as at 31 March 2018 and 30 September 2017 is computed based on 1,000,000,200 ordinary shares.

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 2017 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 2018**

	Note	INDIVIDUAL 6 MONTHS		CUMULATIVE 6 MONTHS	
		UNAUDITED CURRENT 1 ST HALF YEAR ENDED 31.03.2018 RM	UNAUDITED CORRESPONDING 1 ST HALF YEAR ENDED 31.03.2017 RM	UNAUDITED 6 MONTHS ENDED 31.03.2018 RM	UNAUDITED 6 MONTHS ENDED 31.03.2017 RM
REVENUE		-	-	-	-
OTHER INCOME		7,745,474	7,781,403	7,745,474	7,781,403
EMPLOYEE BENEFITS EXPENSE	B1	(1,523,035)	(1,523,129)	(1,523,035)	(1,523,129)
DEPRECIATION		(32,555)	(32,123)	(32,555)	(32,123)
ADMINISTRATIVE EXPENSES		(379,148)	(484,799)	(379,148)	(484,799)
TOTAL OPERATING EXPENSES		(1,934,738)	(2,040,051)	(1,934,738)	(2,040,051)
OPERATING PROFIT		5,810,736	5,741,352	5,810,736	5,741,352
FINANCE COSTS	B1	(8,416,889)	(8,184,023)	(8,416,889)	(8,184,023)
LOSS BEFORE TAXATION	B15	(2,606,153)	(2,442,671)	(2,606,153)	(2,442,671)
INCOME TAX EXPENSE	B16	(1,380,961)	(1,396,567)	(1,380,961)	(1,396,567)
LOSS AFTER TAXATION		(3,987,114)	(3,839,238)	(3,987,114)	(3,839,238)
OTHER COMPREHENSIVE INCOME		-	-	-	-
TOTAL COMPREHENSIVE EXPENSE FOR THE FINANCIAL PERIOD		(3,987,114)	(3,839,238)	(3,987,114)	(3,839,238)
LOSS/ TOTAL COMPREHENSIVE EXPENSE FOR THE FINANCIAL PERIOD ATTRIBUTABLE TO:-					
Owners of the Company		(3,987,114)	(3,839,238)	(3,987,114)	(3,839,238)
LOSS PER SHARE (sen)					
- Basic	B17	(0.40)	(0.38)	(0.40)	(0.38)
- Diluted	B17	(0.40)	(0.38)	(0.40)	(0.38)

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 2017 and accompanying explanatory notes in this Interim Financial Statements.

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

**UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE 1ST HALF YEAR ENDED 31 MARCH 2018**

	Share Capital RM	Share Premium RM	Warrant Reserve RM	Share-based Payment Reserve RM	Accumulated Losses RM	Total Equity RM
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
Unaudited 6 months to 31.03.2018						
At 1 October 2017	25,567,945	-	15,260,000	-	(15,647,401)	25,180,544
Loss/Total comprehensive expense for the financial period	-	-	-	-	(3,987,114)	(3,987,114)
At 31 March 2018	25,567,945	-	15,260,000	-	(19,634,515)	21,193,430
	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 2017 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 2018**

	UNAUDITED CURRENT 1ST HALF YEAR ENDED 31.03.2018 RM	UNAUDITED CORRESPONDING 1ST HALF YEAR ENDED 31.03.2017 RM
CASH FLOWS FOR OPERATING ACTIVITIES		
Loss before taxation	(2,606,153)	(2,442,671)
Adjustments for:-		
Depreciation of equipment	32,555	32,123
Investment income from Islamic short-term investments	(326,893)	(362,102)
Investment income from Islamic Murabahah deposit and other investment income	(7,418,581)	(7,419,301)
Finance costs on financial liability component of Public Issue Shares	8,416,889	8,184,023
Operating loss before working capital changes	<u>(1,902,183)</u>	<u>(2,007,928)</u>
Decrease/(Increase) in other receivables, deposits and prepayments	75,212	(39,244)
Decrease in other payables and accruals	(87,092)	(3,416)
CASH FOR OPERATION	<u>(1,914,063)</u>	<u>(2,050,588)</u>
Income tax paid	(1,412,498)	(1,578,130)
NET CASH FOR OPERATING ACTIVITIES	<u>(3,326,561)</u>	<u>(3,628,718)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income received	7,161,446	7,625,887
Redemption of short-term Islamic investments	1,914,000	1,914,000
Placement in Cash Trust Account	(5,689,772)	(6,013,191)
NET CASH FROM INVESTING ACTIVITIES	<u>3,385,674</u>	<u>3,526,696</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	59,113	(102,022)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	273,422	215,946
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>332,535</u>	<u>113,924</u>
CASH AND CASH EQUIVALENTS COMPRISE:-		
Cash Trust Account	391,635,690	380,074,660
Bank balance	332,535	113,924
	<u>391,968,225</u>	<u>380,188,584</u>
Less: Cash Trust Account which are restricted for use	(391,635,690)	(380,074,660)
	<u>332,535</u>	<u>113,924</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 2017 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 2017 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 2017.

A2 Changes in Accounting Policies

The Company has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 107: Disclosure Initiative

Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses

Annual Improvements to MFRS Standards 2014 – 2016 Cycles:

- Amendments to MFRS 12: Clarification of the Scope of the Standard

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Company’s financial statements.

The Company has not applied in advance the following accounting standards and/or 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 for annual periods beginning on or after 1 January 2018

MFRS 9 Financial Instruments (IFRS 9 as issued by IASB in July 2014)

MFRS 15 Revenue from Contracts with Customers

IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions

Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts

Amendments to MFRS 15: Effective Date of MFRS 15

Amendments to MFRS 15: Clarifications to MFRS 15 ‘Revenue from Contracts with Customers’

Amendments to MFRS 140: Transfers of Investment Property

A2 Changes in Accounting Policies (Cont'd)

The Company has not applied in advance the following accounting standards and/or 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 (cont'd):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments) effective for annual periods beginning on or after 1 January 2018 (cont'd)

Annual Improvements to MFRS Standards 2014 – 2016 Cycles:

- Amendments to MFRS 1: Deletion of Short-term Exemptions for First-time Adopters
- Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value

MFRSs and/or IC Interpretations (Including The Consequential Amendments) effective for annual periods beginning on or after 1 January 2019

MFRS 16 Leases

IC Interpretation 23 Uncertainty over Income Tax Treatments

Amendments to MFRS 9: Prepayment Features with Negative Compensation

Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement

Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures

Annual Improvements to MFRS Standards 2015 – 2017 Cycles:

- Amendments to MFRS 3 and MFRS 11: Previously held interest in a joint operation
- Amendments to MFRS 112: Income tax consequences of payments on financial instruments classified as equity
- Amendments to MFRS 123: Borrowing costs eligible for capitalisation

MFRSs and/or IC Interpretations (Including The Consequential Amendments) effective for annual periods beginning on or after 1 January 2021

MFRS 17 Insurance Contracts

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 2017 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 current financial period ended 31 March 2018.

A8 Dividend Paid

There was no dividend declared or paid during the current financial period ended 31 March 2018.

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 eighteen months with an option to renew for another year.

	UNAUDITED 31.03.2018 RM	AUDITED 30.09.2017 RM
Less than one year	37,565	40,980
Between one and five years	-	17,075
	<u>37,565</u>	<u>58,055</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 2018****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 2018**

	INDIVIDUAL 6 MONTHS		CHANGES RM	%
	UNAUDITED CURRENT 1 ST HALF YEAR ENDED 31.03.2018 RM	UNAUDITED CORRESPONDING 1 ST HALF YEAR ENDED 31.03.2017 RM		
Other income	7,745,474	7,781,403	(35,929)	-0.46
Operating profit	5,810,736	5,741,352	69,384	1.21
Loss before taxation	(2,606,153)	(2,442,671)	(163,482)	6.69
Loss after taxation	(3,987,114)	(3,839,238)	(147,876)	3.85
Loss Attributable to Owners of the Company	(3,987,114)	(3,839,238)	(147,876)	3.85

The Company recorded a marginal decrease in other income which was mainly due to the reduction in investment income from short-term Islamic investments of RM326,893 (six-month period ended 31.03.2017: RM362,102).

The operating profit for the current period is almost at the level as the corresponding 1st half year ended 31 March 2017. The loss before taxation of RM2,606,153 for the 1st half year ended 31 March 2018 is principally due to the increase in the finance costs brought about by the higher amortisation charge of shares issuance cost.

The expenses incurred by the Company consisted of the following:

	INDIVIDUAL 6 MONTHS		CUMULATIVE 6 MONTHS	
	UNAUDITED CURRENT 1 ST HALF YEAR ENDED 31.03.2018 RM	UNAUDITED CORRESPONDING 1 ST HALF YEAR ENDED 31.03.2017 RM	UNAUDITED 6 MONTHS ENDED 31.03.2018 RM	UNAUDITED 6 MONTHS ENDED 31.03.2017 RM
Included in:-				
Employee benefits expenses:				
Salaries & allowances				
- Staff costs (including key management personnel)	933,362	933,338	933,362	933,338
- Executive directors	589,673	589,791	589,673	589,791

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 2018****B1 REVIEW OF RESULTS (CONT'D)****For 1st half year ended 31 March 2018 (Cont'd)**

The expenses incurred by the Company consisted of the following (cont'd):

	INDIVIDUAL 6 MONTHS		CUMULATIVE 6 MONTHS	
	UNAUDITED CURRENT 1 ST HALF YEAR ENDED 31.03.2018 RM	UNAUDITED CORRESPONDING 1 ST HALF YEAR ENDED 31.03.2017 RM	UNAUDITED 6 MONTHS ENDED 31.03.2018 RM	UNAUDITED 6 MONTHS ENDED 31.03.2017 RM
Included in (cont'd):-				
Administrative expenses:				
Meeting and conference	57,593	59,949	57,593	59,949
Directors' fee	114,000	114,000	114,000	114,000
Professional fees	42,390	93,720	42,390	93,720
Others	197,720	249,253	197,720	249,253
Operating expenses	1,934,738	2,040,051	1,934,738	2,040,051
Finance costs	8,416,889	8,184,023	8,416,889	8,184,023

**B2 FINANCIAL REVIEW FOR CURRENT 1ST HALF YEAR ENDED 31 MARCH 2018 IN
COMPARISON TO THE PRECEDING HALF YEAR ENDED 30 SEPTEMBER 2017**

	INDIVIDUAL 6 MONTHS		CHANGES RM	%
	UNAUDITED CURRENT 1 ST HALF YEAR ENDED 31.03.2018 RM	UNAUDITED IMMEDIATE PRECEDING HALF YEAR ENDED 30.09.2017 RM		
Other income	7,745,474	7,613,817	131,657	1.73
Operating profit	5,810,736	5,727,046	83,690	1.46
Loss before taxation	(2,606,153)	(2,434,816)	(171,337)	7.04
Loss after taxation	(3,987,114)	(3,784,064)	(203,050)	5.37
Loss Attributable to Owners of the Company	(3,987,114)	(3,784,064)	(203,050)	5.37

In the 1st half year ended 31 March 2018, the Company recorded a loss before taxation of RM2,606,153 compared to the preceding half year ended 30 September 2017 of loss before taxation of RM2,434,816. The increase in loss before taxation was mainly attributable to the higher finance cost on financial liability component of Public Issue Shares in the current period.

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 2018

B3 PROGRESS/PROSPECTS

In our Annual Report dated 10 January 2018 we reported that we have yet to sign a conditional sale and purchase agreement (“SPA”) for a Qualifying Acquisition (“QA”). The position has remained unchanged to-date.

The two key challenges, namely doubts surrounding deal certainty and unrealistic valuation continue to be the major obstacles to Red Sena securing a QA.

We communicated to our shareholders at our AGM held on 22 March 2018 that we did not have any hot prospects other than the firm approaches we made to a handful of QA candidates that we had shortlisted. In the event that any of these candidates should revert within the ensuing few weeks there is still a possibility of us signing the conditional SPA by sometime in June 2018, but it is expected to be challenging to complete the deal within the Permitted Timeframe given the approval processes involved.

As required under Bursa’s listing rules, the Company will make an appropriate announcement by end June/early July with regards to its ability to complete a QA within the Permitted Timeframe.

Given the above, the Board cannot be certain if a QA can be completed 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.

B5 PURCHASE OR DISPOSAL OF QUOTED SECURITIES

There was no purchase or disposal of quoted securities during the 1st half year ended 31 March 2018.

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.

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 2018****B7 EQUIPMENT**

	Leasehold improvements RM	Furniture and fittings RM	Other Equipment RM	Total RM
<u>Unaudited</u>				
<i>Cost</i>				
As at 01.10.2017/31.03.2018	119,262	60,695	15,373	195,330
<i>Accumulated depreciation</i>				
As at 01.10.2017	76,195	38,620	7,356	122,171
Charge for the period	19,877	10,116	2,562	32,555
As at 31.03.2018	96,072	48,736	9,918	154,726
<i>Net Book Value</i>				
As at 31.03.2018	23,190	11,959	5,455	40,604
<u>Audited</u>				
<i>Cost</i>				
As at 01.10.2016	119,262	60,695	12,785	192,742
Additions	-	-	2,588	2,588
As at 30.09.2017	119,262	60,695	15,373	195,330
<i>Accumulated depreciation</i>				
As at 01.10.2016	36,441	18,389	3,022	57,852
Charge for the year	39,754	20,231	4,334	64,319
As at 30.09.2017	76,195	38,620	7,356	122,171
<i>Net Book Value</i>				
As at 30.09.2017	43,067	22,075	8,017	73,159

B8 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	UNAUDITED 31.03.2018 RM	AUDITED 30.09.2017 RM
Other receivables	4,560,417	4,417,428
Deposits	13,525	13,525
Prepayments	65,557	26,623
	4,639,499	4,457,576

Other receivables of RM4,560,417 are investment income receivable (30.09.2017: RM4,303,282) from placement of Islamic Murabahah deposits under the Cash Trust Account.

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 2018****B9 SHORT-TERM ISLAMIC INVESTMENTS**

	UNAUDITED 31.03.2018 RM	AUDITED 30.09.2017 RM
Fair value through profit or loss:		
- RHB Asset Management Sdn. Bhd.	15,013,797	15,198,890
- AFFIN Hwang Asset Management Berhad	2,835,098	4,237,112
Market value of short-term Islamic investments	<u>17,848,895</u>	<u>19,436,002</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 effective rates of return ranging from 3.5% to 3.6% (30.09.2017: 3.4% to 3.5%) 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 31.03.2018 RM	AUDITED 30.09.2017 RM
CIMB Islamic Bank Berhad	185,986,453	182,599,114
Maybank Islamic Berhad	205,649,237	203,346,804
	<u>391,635,690</u>	<u>385,945,918</u>

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 3.7% to 3.9% (30.09.2017: 3.7% to 3.9%) per annum.

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 2018****B11 SHARE CAPITAL**

	UNAUDITED 31.03.2018	AUDITED 30.09.2017	UNAUDITED 31.03.2018	AUDITED 30.09.2017
	Number of ordinary shares		Amount (RM)	
Issued And Fully Paid-Up				
Ordinary shares with no par value				
At 1 October 2017/2016	1,000,000,200	1,000,000,200	25,567,945	10,000,002
Transfer pursuant to Companies Act 2016	-	-	-	15,567,943
At 31 March 2018/30 September 2017	<u>1,000,000,200</u>	<u>1,000,000,200</u>	<u>25,567,945</u>	<u>25,567,945</u>

- (i) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per ordinary share at meetings of the Company.
- (ii) On 31 January 2017, the concepts of authorised share capital and par value of share capital were abolished in accordance with the Companies Act 2016. Consequently, the amount standing to the credit of the Company's share premium account became part of the Company's share capital pursuant to the transitional provisions set out in Section 618(2) of the Companies Act 2016. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

B12 RESERVES

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

	UNAUDITED 31.03.2018 RM	AUDITED 30.09.2017 RM
Share Premium		
At 1 October 2017/2016	-	15,567,943
Transfer pursuant to Companies Act 2016	-	(15,567,943)
At 31 March 2018/30 September 2017	<u>-</u>	<u>-</u>
Warrants		
At 1 October 2017/2016	15,260,000	15,260,000
At 31 March 2018/30 September 2017	<u>15,260,000</u>	<u>15,260,000</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 2018****B13 FINANCIAL LIABILITY COMPONENT OF THE PUBLIC ISSUE SHARES**

	UNAUDITED 31.03.2018 RM	AUDITED 30.09.2017 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	34,862,682	27,444,101
Less: Provision for income tax	(6,386,802)	(5,005,841)
Add: Amortisation of shares issuance costs	10,111,847	7,732,578
	<u>393,109,073</u>	<u>384,692,184</u>

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.

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-today 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 F&B Sdn. Bhd. on a pro-rata basis as soon as practicable, as permissible by the relevant laws and regulations ("Liquidation Distribution"). Raintree F&B Sdn. Bhd. 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.

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 2018****B14 OTHER PAYABLES AND ACCRUALS**

	UNAUDITED 31.03.2018 RM	AUDITED 30.09.2017 RM
Other payables	2,423	117,750
Accruals	97,008	68,773
	<u>99,431</u>	<u>186,523</u>

B15 LOSS BEFORE TAXATION

	INDIVIDUAL 6 MONTHS		CUMULATIVE 6 MONTHS	
	UNAUDITED CURRENT 1ST HALF YEAR ENDED 31.03.2018 RM	UNAUDITED CORRESPONDING 1ST HALF YEAR ENDED 31.03.2017 RM	UNAUDITED 6 MONTHS ENDED 31.03.2018 RM	UNAUDITED 6 MONTHS ENDED 31.03.2017 RM
Loss before taxation is arrived at after charging/ (crediting):-				
Auditor's remuneration				
- audit fees:				
- current year	17,500	15,000	17,500	15,000
- underprovision in the previous financial year	-	10,000	-	10,000
- non-audit fees:				
- current year	5,500	-	5,500	-
- underprovision in the previous financial year	-	3,000	-	3,000
Depreciation of equipment	32,555	32,214	32,555	32,214
Directors' fee	114,000	114,000	114,000	114,000
Directors' non-fee emoluments:				
- salaries and allowances	496,193	496,311	496,193	496,311
- defined contribution plan	93,480	93,480	93,480	93,480
Staff costs (including key management personnel):				
- salaries and allowances	788,942	788,918	788,942	788,918
- defined contribution plan	144,420	144,420	144,420	144,420
Finance costs on financial liability components of Public Issue Shares	8,416,889	8,184,023	8,416,889	8,184,023
Office rental	20,490	21,038	20,490	21,038
Investment income:				
- short-term Islamic investments	(326,893)	(362,102)	(326,893)	(362,102)
- Islamic Murabahah deposit	(7,418,581)	(7,419,211)	(7,418,581)	(7,419,211)
Other interest income	-	(90)	-	(90)

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 2018****B16 INCOME TAX EXPENSE**

	INDIVIDUAL 6 MONTHS		CUMULATIVE 6 MONTHS	
	UNAUDITED CURRENT 1 ST HALF YEAR ENDED 31.03.2018 RM	UNAUDITED CORRESPONDING 1 ST HALF YEAR ENDED 31.03.2017 RM	UNAUDITED 6 MONTHS ENDED 31.03.2018 RM	UNAUDITED 6 MONTHS ENDED 31.03.2017 RM
Current tax:				
- For the financial year	1,380,961	1,379,330	1,380,961	1,379,330
- Underprovision in the previous financial year	-	17,237	-	17,237
	<u>1,380,961</u>	<u>1,396,567</u>	<u>1,380,961</u>	<u>1,396,567</u>

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

	6 MONTHS ENDED		6 MONTHS ENDED	
	UNAUDITED CURRENT 1 ST HALF YEAR ENDED 31.03.2018 RM	UNAUDITED CORRESPONDING 1 ST HALF YEAR ENDED 31.03.2017 RM	UNAUDITED 6 MONTHS ENDED 31.03.2018 RM	UNAUDITED 6 MONTHS ENDED 31.03.2017 RM
Loss before taxation	(2,606,153)	(2,442,671)	(2,606,153)	(2,442,671)
Tax at the statutory rate of 24%	(625,477)	(586,241)	(625,477)	(586,241)
Tax effects of:-				
Non-taxable income	(78,454)	(86,904)	(78,454)	(86,904)
Non-deductible expenses	2,084,892	2,052,475	2,084,892	2,052,475
Underprovision in the previous financial year	-	17,237	-	17,237
Income tax expense for the financial year	<u>1,380,961</u>	<u>1,396,567</u>	<u>1,380,961</u>	<u>1,396,567</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 2018****B17 LOSS PER SHARE**

	6 MONTHS ENDED		6 MONTHS ENDED	
	UNAUDITED CURRENT 1 ST HALF YEAR ENDED 31.03.2018 RM	UNAUDITED CORRESPONDING 1 ST HALF YEAR ENDED 31.03.2017 RM	UNAUDITED 6 MONTHS ENDED 31.03.2018 RM	UNAUDITED 6 MONTHS ENDED 31.03.2017 RM
Loss after tax attributable to the owners of the Company	(3,987,114)	(3,839,238)	(3,987,114)	(3,839,238)
Weighted average number of ordinary shares:- As at 31 March 2018/2017	1,000,000,200	1,000,000,200	1,000,000,200	1,000,000,200
Loss per share (sen)				
- Basic	(0.40)	(0.38)	(0.40)	(0.38)
- Diluted	(0.40)	(0.38)	(0.40)	(0.38)

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.

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

22 May 2018