

DOLOMITE CORPORATION BERHAD (290455-W)
Incorporated in Malaysia

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2018

The Board of Directors of Dolomite Corporation Berhad is pleased to announce the following unaudited consolidated financial statements for the quarter ended 30 June 2018 which should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the unaudited consolidated financial statements.

	As at 30.06.2018 RM'000 (unaudited)	As at 31.12.2016 RM'000 (audited)
ASSETS		
Non-current assets		
Property, plant and equipment	210,589	321,915
Prepaid lease payments	2,075	5,188
Land use rights	2,345	2,576
Investment properties	-	19,130
Intangible assets	8,552	9,494
Land held for property development	22,035	27,564
	<u>245,596</u>	<u>385,867</u>
Current Assets		
Property development costs	104,872	113,561
Inventories	16,501	20,112
Trade receivables	15,254	22,584
Other receivables, deposits and prepayments	38,826	42,235
Current tax assets	368	342
Cash and bank balances	1,208	2,624
	<u>177,029</u>	<u>201,458</u>
Non-current assets classified as held for sale	-	10,351
TOTAL ASSETS	<u>422,625</u>	<u>597,676</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	18,106	136,289
Share premium	-	168
Accumulated losses	(36,996)	(40,825)
Reserves	70,092	65,871
Total equity	<u>51,202</u>	<u>161,503</u>
Liabilities		
Non-current liabilities		
Loans and borrowings	23,161	39,107
Deferred tax liabilities	271	437
Other payables	13,456	18,622
	<u>36,888</u>	<u>58,166</u>
Current liabilities		
Trade payables	24,669	35,697
Other payables, deposits and accruals	70,113	76,543
Provision	6,787	1,704
Loans and borrowings	222,405	254,660
Tax liabilities	10,561	9,403
	<u>334,535</u>	<u>378,007</u>
Total liabilities	<u>371,423</u>	<u>436,173</u>
Total equity and liabilities	<u>422,625</u>	<u>597,676</u>
Net assets per share (RM)	0.18	0.59

DOLOMITE CORPORATION BERHAD (290455-W)
Incorporated in Malaysia

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the quarter ended 30 June 2018

	Current year quarter 30.06.2018 RM'000 (unaudited)	Preceding year quarter 30.06.2017 RM'000 (**)	Changes		Current period to date 30.06.2018 RM'000 (unaudited)	Preceding year to date 31.12.2016 RM'000 (audited)	Changes	
			RM	%			RM	%
Revenue	13,353	N/A	-	-	144,756	105,774	38,982	36.9
Cost of sales	<u>(11,559)</u>	<u>N/A</u>	-	-	<u>(138,981)</u>	<u>(71,814)</u>	(67,167)	93.5
Gross Profit/(Loss)	1,794	N/A	-	-	5,775	33,960	(28,185)	-83.0
Other income	(12,678)	N/A			12,986	12,963		
Marketing and distribution expenses	(548)	N/A			(3,239)	(3,869)		
Administrative expenses	(3,872)	N/A			(17,697)	(9,829)		
Other expenses	<u>(83,021)</u>	<u>N/A</u>			<u>(91,069)</u>	<u>(14,868)</u>		
Profit from operations	(98,325)	N/A	-	-	(93,244)	18,357	(111,601)	>-100
Interest income	11	N/A			209	26		
Finance costs	<u>(3,467)</u>	<u>N/A</u>			<u>(18,733)</u>	<u>(6,620)</u>		
Profit/(Loss) before taxation	(101,781)	N/A	-	-	(111,768)	11,763	(123,531)	>-100
Tax expense	<u>(510)</u>	<u>N/A</u>			<u>(8,775)</u>	<u>(6,613)</u>		
Profit/(Loss) after taxation	(102,291)	N/A	-	-	(120,543)	5,150	(125,693)	>-100
Other comprehensive income/(loss), net of tax								
Foreign currency translation	<u>6,637</u>	<u>N/A</u>			<u>4,264</u>	<u>(6,059)</u>		
Total comprehensive income/(loss) for the period	<u>(95,654)</u>	<u>N/A</u>			<u>(116,279)</u>	<u>(909)</u>		
Attributable to owners of the Company :								
Profit/(Loss) after taxation	(102,291)	N/A			(120,543)	5,150		
Total comprehensive income/(loss)	<u>(95,654)</u>	<u>N/A</u>			<u>(116,279)</u>	<u>(909)</u>		
Earnings/(loss) per share (sen)								
- basic	(35.90)	N/A			(41.53)	1.91		
- diluted	N/A	N/A			N/A	N/A		

***Following the change in financial year end from 31 December to 30 June, the next set of audited financial statements shall be for a period of 18 months from 1 January 2017 to 30 June 2018 and thereafter, to end on 30 June each year. Accordingly, there are no comparative figures to be presented in this Consolidated Statement of Profit or Loss and Other Comprehensive Income.*

DOLOMITE CORPORATION BERHAD (290455-W)
Incorporated in Malaysia

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the quarter ended 30 June 2018

	Attributable to owners of the Company						Total equity RM'000
	←----- Non distributable ----->				Distributable		
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Foreign exchange translation reserve RM'000	Warrants reserve RM'000	Accumulated losses RM'000	
As at 1 January 2017	136,289	168	68,694	(2,866)	43	(40,825)	161,503
Total comprehensive income/ (loss) for the period	-	-	-	4,264	-	(120,543)	(116,279)
Effects from adoption of Companies Act 2016	168	(168)	-	-	-	-	-
Conversion of RCPS	6,187	-	-	-	-	(209)	5,978
Expiry of Warrants	-	-	-	-	(43)	43	-
Capital reduction	(124,538)	-	-	-	-	124,538	-
As at 30 June 2018	18,106	-	68,694	1,398	-	(36,996)	51,202

	Attributable to owners of the Company						Total RM'000
	←----- Non distributable ----->				Distributable		
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Foreign exchange translation reserve RM'000	Warrants reserve RM'000	Accumulated losses RM'000	
As at 1 January 2016**	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total comprehensive income/ (loss) for the year	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Disposal of non-controlling interest	N/A	N/A	N/A	N/A	N/A	N/A	N/A
As at 30 June 2017**	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**There are no comparative figures disclosed for the cumulative period-to-date results following the change in the financial year end from 31 December to 30 June.

DOLOMITE CORPORATION BERHAD (290455-W)
 Incorporated in Malaysia

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
 For the quarter ended 30 June 2018

	Current period to date 30.06.2018 RM'000 (unaudited)	Preceding year to date 30.06.2017 RM'000 (**)
Operating activities		
Profit before tax	(111,768)	N/A
Adjustments for:		
Amortisation of:		
- intangible assets	942	N/A
- land use rights	98	N/A
- prepaid lease payments	3,113	N/A
Depreciation of property, plant and equipment	22,452	N/A
Gain/Loss on disposal of:		
- property, plant and equipment	(1,970)	N/A
- investment properties	2,421	N/A
Gain on fair value changes on retention sum	(2,925)	N/A
Impairment loss on:		
- property, plant and equipment	80,779	N/A
Inventories written off	270	
Interest expense	19,243	N/A
Interest income	(208)	N/A
Provision for liquidated ascertained damages	5,083	N/A
Unrealised loss/(gain) on foreign exchange	(3,701)	N/A
Operating profit/(loss) before changes in working capital	13,829	N/A
Changes in working capital:		
Property development costs	24,569	N/A
Inventories	3,341	N/A
Trade and other receivables	14,440	N/A
Trade and other payables	(23,852)	N/A
Cash flow generated from/(for) operating activities	32,327	N/A
Tax paid	(7,809)	N/A
Interest received	208	N/A
Interest paid	(19,243)	N/A
Net cash flow from/(for) operating activities	5,483	N/A

Investing activities

Proceeds from disposal of investment properties	16,709	N/A
Proceeds from disposal of property, plant and equipment	2,118	N/A
Purchase of property, plant and equipment	(4,218)	N/A
Net cash flow from/(for) investing activities	14,609	N/A

Financing activities

Proceeds from/(repayment of) loans and borrowings, net	(22,844)	N/A
Net advances from a director	4,153	N/A
Net cash flow from/(for) financing activities	(18,691)	N/A
Changes in cash and cash equivalents	1,401	N/A
Currency translation differences	16,562	N/A
Cash and cash equivalents at start of the period	(36,976)	N/A
Cash and cash equivalents at end of the period	(19,013)	N/A

**There are no comparative figures disclosed for the cumulative period-to-date results following the change in the financial year end from 31 December to 30 June.

DOLOMITE CORPORATION BERHAD (290455-W)
Incorporated in Malaysia

PART A - EXPLANATORY NOTES PURSUANT TO FRS 134
For the quarter ended 30 June 2018

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2016. The explanatory notes attached to the interim financial statements provide explanations of the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2016.

The significant accounting policies applied are consistent with those of the audited financial statements for the year ended 31 December 2016 except that following the requirements of the Companies Act 2016 which came into effect on 31 January 2017, the credit balance in share premium account has been reclassified to share capital account as at 31 January 2017. Such credit balance may be utilised for purposes set out in transitional provisions of the Act within 24 months from 31 January 2017.

The Group falls within the definition of Transitioning Entities under the Malaysian Financial Reporting Standards ("MFRS") and has elected to present its first MFRS financial statements when the MFRS framework becomes mandatory.

The accounting policies and methods of computation used in the interim financial statements are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2016 except for the changes in accounting policies and presentation resulting from the adoption of new and revised MFRSs and amendments to MFRSs that are effective for financial periods beginning on or after 1 January 2017.

The Group has not adopted the following new MFRSs and amendments to MFRSs issued by the Malaysian Accounting Standards Board:

MFRS, Amendments to MFRSs and Interpretation effective 1 January 2019

MFRS 16	<i>Leases</i>
Amendments to MFRS 9	<i>Prepayment Features with Negative Compensation</i>
Amendments to MFRS 119	<i>Plan Amendment, Curtailment or Settlement</i>
Amendments to MFRS 128	<i>Long-term Interests in Associates and Joint Ventures#</i>
IC Interpretation 23	<i>Uncertainty over Income Tax Treatments</i>
Annual Improvements to MFRS Standards 2015-2017 Cycle	

MFRS effective 1 January 2021

MFRS 17	<i>Insurance Contracts#</i>
---------	-----------------------------

Amendments to MFRSs (deferred effective dates to be announced by MASB)

Amendments to MFRS 10 and MFRS 128	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture#</i>
------------------------------------	-----------------------------------------------------------------------------------------------

Not applicable to Group's existing operations

The possible impact on adoption of the above pronouncements in the period of initial application cannot be determined at present.

Following the change in financial year end from 31 December to 30 June, the next set of audited financial statements shall be for a period of 18 months from 1 January 2017 to 30 June 2018 and thereafter, to end on 30 June each year.

2. Auditors' Report on Preceding Annual Financial Statements

The audit report of the preceding annual financial year ended 31 December 2016 contained a material uncertainty related to going concern.

As at 31 December 2016, the current liabilities of the Group exceeded its current assets by RM166.198 million. In addition, the Group had defaulted in instalment repayments of principal sums in respect of credit facilities granted by a financial institution ("FI"). These conditions indicated the existence of a material uncertainty which might cast significant doubt about the Group's ability to continue as a going concern. The Auditors' opinion was not modified in respect of this matter.

The Directors of the Company were of the opinion that the preparation of the financial statements of the Group on a going concern basis remained appropriate given the following measures being taken or would be taken by the Group to mitigate the existence of material uncertainty on going concern and meet its obligations falling due within the next 12 months which, included amongst others:

- i) The Group had engaged in several discussions with the FI prior to the first due date for repayment. During this period, the Group had agreed to the request of the FI to service interest payments. The discussion between the Group and the FI includes the request of the FI to revise the tenure of the loan and to restructure the loan in order to complement the prolonged completion of the thermal power plant for it to become fully operational;
- ii) The Group had concurrently engaged with another bank to explore alternative refinancing arrangement for the thermal power plant;
- iii) The Group was exploring with potential purchasers who indicated their interest to acquire the thermal power plant; and
- iv) As an alternative, the Group was also looking at monetising certain property assets of the Group.

The above measures, except for Item (ii), are still being pursued by the Group to address the matter.

3. Seasonal or Cyclical Factors

The Group's operations are not materially affected by any seasonal or cyclical factors.

4. Unusual Items

There were no unusual items for the current financial period under review.

5. Changes in Estimates

There were no changes in estimates that have had a material effect on the current quarter results.

6. Debt and Equity Securities

In the current financial period, there were;

- (a) no issuances and repayments of debt securities, share buy-backs, share cancellation, share held as treasury shares and resale of treasury shares;
- (b) no conversion of Warrants C. On 8 August 2017, the expiry date of Warrant C, 2,547,175 outstanding Warrants C had lapsed and become null and void and ceased to be valid for any purpose; and
- (c) no redemption of Redeemable Convertible Preference Shares ("RCPS"). 1,033,168 RCPS were converted into new DCB ordinary shares in the current financial period and on 8 August 2017, the maturity date of RCPS, 11,341,260 outstanding RCPS were automatically converted into new DCB ordinary shares. The number of ordinary shares and outstanding RCPS after the conversion are as follows:

	Conversion	Ordinary Shares	RCPS
Before conversion as at 1 January 2017		272,578,457	12,374,428
20 July 2017	11,200	272,589,657	12,363,228
28 July 2017	786,168	273,375,825	11,577,060
3 August 2017	4,500	273,380,325	11,572,560
7 August 2017	231,300	273,611,625	11,341,260
8 August 2017	11,341,260	284,952,885	-
After conversion as at 30 June 2018	-	284,952,885	-

7. Dividend Paid

There were no ordinary share dividends paid in the financial period under review.

The unpaid 3.5 sen per RCPS dividend amounting to RM396,944.10 in respect of financial period ended 30 June 2018 would be carried forward and paid to the holders of the RCPS when the Company has the available profit to make the payment.

8. Valuation of Property, Plant and Equipment

During the financial period under review, the Company has engaged Shandong Jintianping Assets Valuer to conduct valuation on the thermal power plant of Shandong Dolomite Thermal Power Co. Limited located in Shandong, China.

9. Operating Segments

	Manufacturing	Construction	Property Development	Thermal Power Generation	Investment Holding	Current period to date 30.06.2018 Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment Revenue						
External revenue	52,271	525	81,654	10,306	-	144,756
Inter-segment revenue	4,471	21,814	-	-	5,000	31,285
	<u>56,742</u>	<u>22,339</u>	<u>81,654</u>	<u>10,306</u>	<u>5,000</u>	<u>176,041</u>
Adjustments and eliminations						(31,285)
Consolidated revenue						<u>144,756</u>
Segment Results	(4,940)	(1,340)	19,674	(104,972)	(1,666)	(93,244)
Interest income						209
Finance costs						(18,733)
Loss before taxation						(111,768)
Tax expense						(8,775)
Loss after taxation						<u>(120,543)</u>
						Preceding year to date 31.12.2016
	Manufacturing	Construction	Property development	Thermal Power Generation	Investment Holding	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment Revenue						
External revenue	43,399	5,370	57,005	-	-	105,774
Inter-segment revenue	4,151	23,922	-	-	20,000	48,073
	<u>47,550</u>	<u>29,292</u>	<u>57,005</u>	<u>-</u>	<u>20,000</u>	<u>153,847</u>
Adjustments and eliminations						(48,073)
Consolidated revenue						<u>105,774</u>
Segment Results	2,696	308	20,796	(13,990)	8,547	18,357
Interest income						26
Finance costs						(6,620)
Profit before taxation						11,763
Tax expense						(6,613)
Profit after taxation						<u>5,150</u>

Explanatory notes on the Business Segments can be referred to on Page 10, Item 1 Review of Performance.

10. Material Events Subsequent to the End of the Financial Period Under Review

There were no material events subsequent to the end of the financial period under review.

11. Changes in the Composition of the Group

Dolomite Granite Quarry Sdn Bhd, a wholly-owned subsidiary of Dolomite Industries Company Sdn Bhd, which is a wholly-owned subsidiary of Dolomite Berhad, which in turn is a wholly-owned subsidiary of the Company, was incorporated on 14 June 2017. The incorporation is intended for the Company to streamline its quarry operations.

12. Changes in the Contingent Liabilities and Contingent Assets

There were no material changes in the contingent liabilities and contingent assets of the Group since the last annual Statement of Financial Position as at 31 December 2016.

13. Significant Related Party Transaction

There were no related party transactions during the financial period under review.

14. Capital Commitments

There were no capital commitments for the financial period under review.

DOLOMITE CORPORATION BERHAD (290455-W)
Incorporated in Malaysia

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF
THE BURSA SECURITIES LISTING REQUIREMENTS
For the quarter ended 30 June 2018**

1. Review of Performance

The current financial period ended 30 June 2018 is for a period of 18 months from 1 January 2017 to 30 June 2018, compared to the previous financial year of 12 months from 1 January 2016 to 31 December 2016

In the current financial period ended 30 June 2018, the Group registered a revenue of RM 144.756 million, an increase from RM 105.774 million recorded in the previous financial year ended 31 December 2016. The increase in revenue is mainly due to increase revenue from property development and manufacturing segments, and contribution from the thermal power generation segment.

The Group posted a pre-tax loss of RM 111.768 million for the period under review compared to a pre-tax profit of RM 11.763 million in the previous financial year ended 31 December 2016. The pre-tax profit in the previous financial year ended 31 December 2016 is mainly due to contribution from property development and investment holding segments, and lower finance costs. The pre-tax loss of RM 111.768 million for the period under review is mainly attributable to the impairment loss of RM 80.779 million on the thermal power plant located in Shandong, China.

The loss before interest and tax ("LBIT") of the manufacturing segment for the period under review is RM 4.940 million compared to profit before interest and tax ("PBIT") in the previous financial year ended 31 December 2016 of RM 2.696 million. The loss before interest and tax in the period under review is mainly due to lower profit margin for quarry products.

The LBIT of the construction segment for the period under review is RM 1.340 million compared to PBIT of RM 0.308 million in the previous financial year ended 31 December 2016. The LBIT in the period under review is mainly due to decrease in revenue to RM 0.525 million for the period under review from RM 5.370 million for the previous financial year ended 31 December 2016.

The PBIT of the property development segment for the period under review is RM 19.674 million compared to PBIT of RM 20.796 million in the previous financial year ended 31 December 2016. The PBIT in the previous financial year ended 31 December 2016 is mainly due to sale of higher margin property products.

The LBIT of the thermal power generation segment for the period under review is RM 104.972 million compared to LBIT of RM 13.990 million in the previous financial year ended 31 December 2016. The higher LBIT for the period under review is mainly due to impairment loss of RM 80.779 million on the thermal power plant located in Shandong, China.

The LBIT of the investment holding segment for the period under review is RM 1.666 million compared to PBIT of RM 8.547 million in the previous financial year ended 31 December 2016. The higher PBIT in the previous financial year ended 31 December 2016 is mainly due to gain of RM 9.523 million on disposal of D'Marina Sdn Bhd.

2. Variation of Results Against Preceding Quarter Ended 31 March 2018

The Group registered a revenue of RM 13.353 million for the quarter under review compared to RM 20.962 million in the preceding quarter. The lower revenue for the quarter under review is mainly due to lower revenue from property development segment of RM 5.940 million compared to RM 12.508 million in the preceding quarter.

The Group posted a loss before tax of RM 101.781 million compared with the preceding quarter profit before tax of RM 1.760 million. The loss before tax for the period under review is mainly due to impairment loss of RM 80.779 million on the thermal power plant located in Shandong, China, and loss on foreign exchange of RM 14.955 million.

3. Commentary on Prospects

The Group's domestic performance for next year is expected to be stable depending on the overall economic condition in the country.

The Group's thermal power plant in Shandong, the People's Republic of China which commenced business on 3 March 2017 had temporarily ceased operation on 30 November 2017. In the meantime, the Group is looking for investor to take over the operation.

4. Variance of Actual Profit from Profit Forecast or Profit Guarantee

The Group has not announced or disclosed any profit forecast or profit guarantee in a public document that relates to the current financial period under review.

5. Items included in the Statement of Profit Or Loss And Other Comprehensive Income

The following items are included in the Statement of Profit Or Loss And Other Comprehensive Income in the financial period under review :

	Current period quarter 30.06.2018 RM'000 (unaudited)	Current period to date 30.06.2018 RM'000 (unaudited)
Depreciation and amortisation	761	22,452
Impairment loss on property, plant and equipment	80,779	80,779
Inventories written off	270	270
Gain on disposal of property, plant and equipment	265	1,970
Gain/(loss) on foreign exchange	(14,955)	3,701
Gain/(loss) on disposal of quoted or unquoted investments or properties	2,421	2,421

The following items are not applicable in the financial period under review :

Write-back of impairment loss on receivables
Impairment loss on intangible assets
Impairment loss on and write off of receivables
Gain or loss on derivatives
Exceptional items

6. Tax Expense

	Current year quarter 30.06.2018 RM'000 (unaudited)	Current period to date 30.06.2018 RM'000 (unaudited)
Tax expense comprises:		
Income tax		
-current year	1,539	(8,739)
-prior years	(733)	(83)
Real property gains tax	(298)	(117)
	<u>508</u>	<u>(8,939)</u>
Deferred taxation	2	164
	<u>510</u>	<u>(8,775)</u>

The Group's effective tax rate is higher than the prima facie tax rate mainly due to tax charge on profits of certain subsidiaries which cannot set-off against the tax losses of other subsidiaries and certain expenses being disallowable for tax purposes.

7. Status of Corporate Proposals

There were no corporate proposals which were announced but pending completion as at 28 August 2018

8. Group Borrowings

There were no debt securities as at 30 June 2018.

The Group borrowings as at 30 June 2018 were as follows:-

	Total	----- Denominated in -----	
		RM	USD
	RM'000	RM'000	RM'000
<u>Current</u>			
- Secured			
Bank overdrafts	20,221	20,221	-
Term loans	188,292	28,894	159,398
Revolving credit	13,782	2,000	11,782
Finance lease liabilities	110	110	-
	<u>222,405</u>	<u>51,225</u>	<u>171,180</u>
<u>Non-current</u>			
- Secured			
Term loans	23,034	23,034	-
Finance lease liabilities	127	127	-
	<u>23,161</u>	<u>23,161</u>	<u>-</u>
Total	<u>245,566</u>	<u>74,386</u>	<u>171,180</u>

The Group borrowings as at 31 December 2016 were as follows:-

	Total	----- Denominated in -----	
		RM	USD
	RM'000	RM'000	RM'000
<u>Current</u>			
- Secured			
Bank overdrafts	39,600	39,600	-
Term loans	182,049	18,890	163,159
Revolving credit	14,189	2,000	12,189
Bankers' acceptance	12,037	12,037	-
Finance lease liabilities	807	807	-
- Unsecured			
Redeemable convertible preference shares	5,978	5,978	-
	<u>254,660</u>	<u>79,312</u>	<u>175,348</u>
<u>Non-current</u>			
- Secured			
Term loans	38,716	38,716	-
Finance lease liabilities	391	391	-
	<u>39,107</u>	<u>39,107</u>	<u>-</u>
Total	<u>293,767</u>	<u>118,419</u>	<u>175,348</u>

9. Changes in Material Litigation

There were no changes in the status of the material litigation of the Group since the last annual Statement of Financial Position as at 31 December 2016.

10. Proposed Dividend

The Directors do not recommend any ordinary share dividend for the current financial period ended 30 June 2018 (31 December 2016: Nil).

11. Earnings/(loss) per share

	Current year quarter 30.06.2018 RM'000	Current period to date 30.06.2018 RM'000
Earnings/(loss) for the period attributable to owners of the Company	<u>(102,291)</u>	<u>(116,279)</u>
Weighted average number of ordinary shares at end of the year ('000)	<u>284,953</u>	<u>279,970</u>
Basic earnings/(loss) per share (sen)	<u>(35.90)</u>	<u>(41.53)</u>

12. Foreign Currency Risk Management

The Group did not enter into any foreign currency contracts during the current financial period under review.

13. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 August 2018.