

**WMG HOLDINGS BHD.**

(Company no. 1166985-X)

(Incorporated in Malaysia)

**Unaudited Interim Financial Statements**

**For The Second Quarter Ended 30 June 2019**

**WMG HOLDINGS BHD.** (1166985-X)

Interim financial statements for the second quarter ended 30 June 2019

<b>Index</b>	<b>page</b>
Condensed Consolidated Statement of Comprehensive Income	3
Condensed Consolidated Statement of Financial Position	4
Condensed Consolidated Statement of Changes in Equity	5
Condensed Consolidated Statement of Cash flows	6 - 7
Notes to the interim financial statements	8 – 13
Additional information required by the Bursa Malaysia Securities Berhad	14 - 16
Authorisation for issue of the interim financial statements	16

## Condensed Consolidated Statement of Comprehensive Income

	Note	Individual Quarter		Financial Year-to-date	
		3 months ended		6 months ended	
		30/06/2019	30/06/2018	30/06/2019	30/06/2018
		RM'000	RM'000	RM'000	RM'000
Revenue	8	14,615	5,631	22,271	9,497
Cost of sales		(11,897)	(4,485)	(18,662)	(7,911)
Gross profit		2,718	1,146	3,609	1,586
Other income		83	331	969	1,049
Other expenses		(52)	(227)	(512)	(431)
Finance costs		(2,120)	(1,734)	(3,472)	(2,616)
Distribution costs		(30)	(68)	(114)	(123)
Administrative expenses		(4,031)	(3,637)	(8,922)	(8,355)
Loss from operations		(3,432)	(4,189)	(8,442)	(8,890)
Interest on fixed deposits		100	128	178	222
Loss before tax	9	(3,332)	(4,061)	(8,264)	(8,668)
Income tax expense	11	23	20	51	53
Loss for the period		(3,309)	(4,041)	(8,213)	(8,615)
Other comprehensive income, net of tax:		-	-	-	-
Total comprehensive loss for the period		(3,309)	(4,041)	(8,213)	(8,615)
Loss attributable to owners of the Company		(3,309)	(4,041)	(8,213)	(8,615)
Total comprehensive loss attributable to owners of the Company		(3,309)	(4,041)	(8,213)	(8,615)
Loss per share attributable to owners of the Company:	12	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
- Basic		(0.71)	(0.79)	(1.60)	(1.67)
- Diluted		(0.29)	(0.35)	(0.71)	(0.74)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

**WMG HOLDINGS BHD.** (1166985-X)

Interim financial statements for the second quarter ended 30 June 2019

**Condensed Consolidated Statement of Financial Position**

<b>ASSETS</b>	<b>Note</b>	<b>AS AT 30/06/2019 RM'000</b>	<b>AS AT 31/12/2018 RM'000</b>
<b>Non-current Assets</b>			
Property, plant and equipment		29,475	30,346
Inventory properties	13	145,623	144,794
Investment properties		104,422	78,601
Other investment		113	113
Deferred tax assets		4,007	4,067
		<u>283,640</u>	<u>257,921</u>
<b>Current Assets</b>			
Inventory properties	13	95,926	85,177
Trading inventories	14	980	988
Prepayment		127	101
Trade and other receivables		22,602	22,341
Contract assets		-	758
Tax recoverable		2,129	2,079
Investment securities		1,144	1,133
Cash and bank balances	17	22,813	12,465
		<u>145,721</u>	<u>125,042</u>
<b>Total Assets</b>		<u>429,361</u>	<u>382,963</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Current Liabilities</b>			
Borrowings	16	123,985	113,844
Trade and other payables		36,515	34,868
Tax payable		50	64
		<u>160,550</u>	<u>148,776</u>
<b>Non-current Liabilities</b>			
Borrowings	16	72,501	29,548
Deferred tax liabilities		3,330	3,446
		<u>75,831</u>	<u>32,994</u>
<b>Total Liabilities</b>		<u>236,381</u>	<u>181,770</u>
<b>Equity attributable to owners of the</b>			
Share capital	15	229,133	229,133
Redeemable convertible preference shares	15	149,173	149,173
Irredeemable convertible preference shares	15	203,339	203,339
Merger deficit		(312,039)	(312,039)
Accumulated losses		(76,626)	(68,413)
<b>Total Equity</b>		<u>192,980</u>	<u>201,193</u>
<b>Total Equity and Liabilities</b>		<u>429,361</u>	<u>382,963</u>
<b>Net assets per share attributable to owners of the Company (RM)</b>		0.45	0.47

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Changes in Equity**

	Note	Share capital	RCPS	ICPS	Merger deficit	Accumulated losses	Total Equity
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 Jan 2019</b>		229,133	149,173	203,339	(312,039)	(68,413)	201,193
Total comprehensive loss for the period		-	-	-	-	(8,213)	(8,213)
<b>At 30 June 2019</b>		<u>229,133</u>	<u>149,173</u>	<u>203,339</u>	<u>(312,039)</u>	<u>(76,626)</u>	<u>192,980</u>
<b>At 1 Jan 2018</b>		205,073	173,233	203,339	(312,039)	(21,739)	247,867
Total comprehensive loss for the period		-	-	-	-	(8,615)	(8,615)
Transfer to share capital arising from redemption of RCPS		24,060	-	-	-	(24,060)	-
Redemption of RCPS		-	(24,060)	-	-	(940)	(25,000)
<b>At 30 June 2018</b>		<u>229,133</u>	<u>149,173</u>	<u>203,339</u>	<u>(312,039)</u>	<u>( 55,354)</u>	<u>214,252</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Cash Flows**

	Note	6 months ended	
		30/06/2019 RM'000	30/06/2018 RM'000
<b>Cash flows from operating activities</b>			
Loss before tax		(8,264)	(8,668)
<b>Adjustments for:</b>			
Depreciation		1,172	1,180
Finance costs		3,472	2,616
Investment income		(6)	(15)
Interest income		(178)	(222)
Gain from disposal of property, plant and equipment		(103)	(516)
Equipment scrapped		5	-
		<u>4,362</u>	<u>3,043</u>
Operating loss before working capital changes		(3,902)	(5,625)
Increase in properties under development		(10,867)	(6,284)
(Increase)/decrease in land held for development		(829)	3,928
Decrease in inventories		125	929
(Increase)/decrease in receivables		(288)	4,867
Decrease/(increase) in other current assets		758	(1,003)
Increase/(decrease) in payables		1,645	(10,680)
Cash flows used in operations		<u>(13,358)</u>	<u>(13,868)</u>
Interest paid		(285)	-
Interest on current and overdue accounts received		131	155
Income tax refunded		314	515
Income tax paid		(382)	(1,249)
Net cash flows used in operating activities		<u>(13,580)</u>	<u>(14,447)</u>
<b>Cash flows from investing activities</b>			
Addition to investment properties		(25,358)	(8,895)
Investment income		6	15
Interest income received		48	67
Purchase of investment securities		(11)	(614)
Purchase of property, plant and equipment		(4)	(492)
Proceeds from disposal of plant and equipment		103	516
Net cash flows used in investing activities		<u>(25,216)</u>	<u>(9,403)</u>

**WMG HOLDINGS BHD.** (1166985-X)

Interim financial statements for the second quarter ended 30 June 2019

**Condensed Consolidated Statement of Cash Flows (Cont'd)**

	Note	6 months ended	
		30/06/2019 RM'000	30/06/2018 RM'0000
<b>Cash flows from financing activities</b>			
Proceeds from bankers' acceptances		8,787	2,792
Proceeds from revolving credits		5,200	2,000
Proceeds from bridging loan		5,330	-
Proceeds from term loans		50,955	4,562
Repayment of bankers' acceptances		(7,677)	(2,637)
Repayment of bridging loan		(2,127)	-
Repayment of term loan		(2,066)	-
Repayment of revolving credits		(6,000)	(6,008)
Repayment of obligations under finance leases		(178)	(77)
Finance costs paid		(3,929)	(2,616)
Redemption of RCPS		-	(25,000)
Net cash flows from/(used in) financing activities		<u>48,295</u>	<u>(26,984)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		9,499	(50,834)
<b>Cash and cash equivalents at beginning of financial year</b>		<u>8,865</u>	<u>62,579</u>
<b>Cash and cash equivalents at end of financial period</b>	17	<u>18,364</u>	<u>11,745</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

## **(A) Notes to the interim financial statements**

### **1) Basis of preparation**

WMG Holdings Bhd. is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

The unaudited condensed consolidated interim financial statements for the period ended 30 June 2019 have been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These unaudited condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2018. The explanatory notes to the interim financial statements provide an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2018.

### **2) Accounting Policies**

The accounting policies and presentation adopted for the interim financial statements are consistent with those adopted for the audited financial statements for year ended 31 December 2018.

### **3) Seasonality of operations**

The Group's operations are not seasonal and cyclical in nature.

### **4) Unusual items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the interim period under review.

### **5) Changes in estimates**

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or the prior financial year that have a material effect in the interim period under review.

### **6) Changes in the composition of the Group**

There were no changes in the composition of the Group during the interim period under review.

### **7) Share capital and treasury shares**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the interim period under review.



**8) Segment information**

*Business Segments*

	<b>6 months ended 30 June 2019</b>				
	<b>Property</b>	<b>Building materials</b>	<b>Others</b>	<b>Adjustment/ Elimination</b>	<b>Consolidated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>					
External	8,338	13,933	-	-	22,271
Inter-segment	-	-	-	-	-
<b>Total</b>	<b>8,338</b>	<b>13,933</b>	<b>-</b>	<b>-</b>	<b>22,271</b>
<b>Results</b>					
Depreciation	1,135	34	3	-	1,172
Interest income	72	106	-	-	178
Other non-cash expenses	-	-	-	-	-
<b>Segment loss</b>	<b>(7,947)</b>	<b>(137)</b>	<b>(153)</b>	<b>-</b>	<b>(8,264)</b>

**9) Loss before tax**

Included in the loss before tax are the following items:

	<b>Individual Quarter</b>		<b>Financial Year-to-date</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30/06/2019</b>	<b>30/06/2018</b>	<b>30/06/2019</b>	<b>30/06/2018</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
(a) Interest income	100	128	178	222
(b) Other income including investment income	83	331	969	1,049
(c) Interest expenses	2,120	1,734	3,472	2,616
(d) Depreciation and amortization	580	549	1,172	1,180
(e) Provision for and write off of receivables	-	-	-	-
(f) Provision for and write off of inventories	-	-	-	-
(g) Gain/(loss) on disposal of quoted or unquoted investments or properties	-	-	-	-
(h) Impairment of assets	-	-	-	-
(i) Foreign exchange gain/(loss)	-	-	-	-
(j) Gain or loss on derivatives	-	-	-	-

**10) Events after the reporting period**

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

**11) Income tax expense**

	<b>Individual Quarter</b>		<b>Financial Year-to-date</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30.06.2019</b>	<b>30.06.2018</b>	<b>30.06.2019</b>	<b>30.06.2018</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current income tax	-	-	-	-
Reversal of deferred tax	(23)	(20)	(51)	(53)
	<u>(23)</u>	<u>(20)</u>	<u>(51)</u>	<u>(53)</u>

There is no income tax expense for the current quarter and period under review mainly due to losses incurred by the Group.

**12) Loss per share**

	<b>Individual Quarter</b>		<b>Financial Year-to-date</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30.06.2019</b>	<b>30.06.2018</b>	<b>30.06.2019</b>	<b>30.06.2018</b>
Loss net of tax attributable to owners of the Company (RM'000)	(3,309)	(4,041)	(8,213)	(8,615)
Less: cumulative dividend on RCPS	(2,705)	(2,705)	(5,380)	(5,567)
Loss net of tax attributable to owners of the Company used in the computation of basic loss per share (RM'000)	(6,014)	(6,746)	(13,593)	(14,182)
Add back: cumulative dividend on RCPS	2,705	2,705	5,380	5,567
Loss net of tax attributable to owners of the Company used in the computation of diluted loss per share (RM'000)	<u>(3,309)</u>	<u>(4,041)</u>	<u>(8,213)</u>	<u>(8,615)</u>
Weighted average number of ordinary shares for basic loss per share computation ('000)	848,731	848,731	848,731	848,731
Effect of dilution – RCPS ('000)	310,000	331,000	310,000	320,773
Weighted average number of ordinary shares for diluted loss per share computation ('000)	<u>1,158,731</u>	<u>1,158,731</u>	<u>1,158,731</u>	<u>1,169,504</u>
<b>Basic loss per share (sen)</b>	(0.71)	(0.79)	(1.60)	(1.67)
<b>Diluted loss per share (sen)</b>	(0.29)	(0.35)	(0.71)	(0.74)

**13) Inventory properties**

	<b>As at 30.06.2019</b>	<b>As at 31.12.2018</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current</b>		
Land held for property development	145,623	144,794
<b>Current</b>		
Properties under development	57,572	46,705
Completed properties	38,354	38,472
	<u>95,926</u>	<u>85,177</u>
	<u>241,549</u>	<u>229,971</u>

**(a) Land held for Development**

	<b>As at 30.06.2019</b>	<b>As at 31.12.2018</b>
	<b>RM'000</b>	<b>RM'000</b>
At beginning of year	144,794	146,916
Additions	829	687
Transfer to properties under development	-	(2,809)
At end of period	<u>145,623</u>	<u>144,794</u>

As at 30.06.2019, the Group has a total land bank of approximately 638 acres, comprising 431 acres in Sandakan and 207 acres in Kota Kinabalu.

**(b) Properties under development**

	<b>As at</b>	<b>As at</b>
	<b>30.06.2019</b>	<b>31.12.2018</b>
	<b>RM'000</b>	<b>RM'000</b>
Balance at cost	<u>57,572</u>	<u>46,705</u>
	<b>Long-term leasehold</b>	<b>Development expenditure</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cumulative property development cost</b>		<b>Total</b>
At 01.01.2019	10,152	36,553
Cost incurred during the period	-	15,972
Recognised in profit and loss	(395)	(4,710)
<b>At 30.06.2019</b>	<u>9,757</u>	<u>47,815</u>
		<u>57,572</u>

As at 30.06.2019, the Group has three ongoing projects namely the commercial project, Sejati Corporate Garden at RM6.74 million, with percentage of completion of 45% and the residential projects, Sri Indah Kondominium at RM20.37 million, with a percentage of completion of 35%, and Parklane 1 terrace houses at RM5.11 million, with percentage of completion of 10% totalling RM32.22 million and the projects to be launched amounted to RM25.35 million.

**WMG HOLDINGS BHD.** (1166985-X)

Interim financial statements for the second quarter ended 30 June 2019

**14) Trading inventories**

	<b>As at 30.06.2019</b> <b>RM'000</b>	<b>As at 31.12.2018</b> <b>RM'000</b>
Building inventories	980	988

**15) Share capital, RCPS and ICPS**

The details of share capital, RCPS and ICPS of the Company are as follows:-

	<b>No. of Ordinary Shares</b>	<b>Amount RM</b>
<b>Share capital</b> As at 01.01.2019 and 30.06.2019	426,167,169	229,133,063
	<b>No. of Preference Shares</b>	<b>Amount RM</b>
<b>Redeemable convertible preference shares (RCPS)</b> As at 01.01.2019 and 30.06.2019	155,000,000	149,172,930
<b>Irredeemable convertible preference shares (ICPS)</b> As at 01.01.2019 and 30.06.2019	211,281,792	203,338,864

**16) Borrowings**

The Group's borrowings and debt securities are as follows:

	<b>As at second quarter ended 30.06.2019</b>			<b>As at second quarter ended 30.06.2018</b>		
	Long Term	Short Term	Total borrowings	Long Term	Short Term	Total borrowings
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Secured</b>						
Bankers' acceptances (BA)	-	5,392	5,392	-	1,522	1,522
Revolving credits (RC)	-	100,000	100,000	-	94,300	94,300
Overdraft (OD)	-	965	965	939	100	1,039
Bridging loan (BL)	-	8,478	8,478	-	-	-
Term loans (TL)	71,784	8,938	80,722	21,016	513	21,529
Obligations under finance leases	717	212	929	274	179	453
	72,501	123,985	196,486	22,229	96,614	118,843

The increase in the Group's borrowings was for operations and working capital purposes.

The interest rates for BA, RC, TL, BL and OD range from 1% to 2% above the cost of fund of the banks. There are no borrowings denominated in foreign currency.

**WMG HOLDINGS BHD.** (1166985-X)

Interim financial statements for the second quarter ended 30 June 2019

**17) Cash and Cash Equivalents**

	<b>As at 30.06.2019 RM'000</b>	<b>As at 31.12.2018 RM'000</b>
Fixed deposits	3,198	3,484
Cash on hand and at banks	19,615	8,981
Cash and bank balances	<u>22,813</u>	<u>12,465</u>
Less: deposits pledged for banking facilities	(3,484)	(3,484)
Less: bank overdrafts	(965)	(116)
	<u>18,364</u>	<u>8,865</u>

**18) Contingencies**

There were no changes in contingent liabilities since the last balance sheet date, 31 December 2018 to 23 August 2019, the latest practicable date which is not earlier than 7 days from the issue of this interim financial statements.

**19) Capital Commitments**

	<b>As at 30.06.2019 RM'000</b>	<b>As at 31.12.2018 RM'000</b>
Approved and contracted for:		
- Investment property	6,563	33,967

**20) Dividends**

For the period ended 30 June 2019, the Directors do not recommend payment of dividend. (2018:Nil).

The total dividend for the current financial year is Nil (2018: Nil).

## **(B) Additional information required by Bursa Malaysia Securities Berhad's Listing Requirements**

### **1. Performance review**

The Group's performance is as tabulated below:

	Individual Quarter				Financial Year to date			
	3 months ended		Changes		6 months ended		Changes	
	30.06.2019	30.06.2018	RM'000	%	30.06.2019	30.06.2018	RM'000	%
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	14,615	5,631	8,984	160	22,271	9,497	12,774	135
Gross profit	2,718	1,146	1,572	137	3,609	1,586	2,023	128
Loss Before Interest and Tax	(1,212)	(2,327)	1,115	48	(4,792)	(6,052)	1,260	21
Loss Before Tax	(3,332)	(4,061)	729	18	(8,264)	(8,668)	404	5
Loss After Tax	(3,309)	(4,041)	732	18	(8,213)	(8,615)	402	5
Loss attributable to ordinary equity holders of the Company	(3,309)	(4,041)	732	18	(8,213)	(8,615)	402	5

For the current quarter and period ended 30 June 2019, the Group recorded revenue of RM14.62 and RM22.27 million and incurred loss before tax of RM3.33 million and RM8.26 million as compared to the corresponding quarter and period's revenue of RM5.63 million and RM9.50 million and loss before tax of RM4.06 million and RM8.67 million.

The Group generated a total revenue for the current period of RM22.27 million. RM8.34 million (37%) was from property segment and RM13.93 million (63%) was from building materials segment. The total revenue generated for the current quarter was RM14.61 million of which RM5.86 million (40%) was from property segment and RM8.75 million (60%) was from building materials segment.

Sales of residential properties were at RM7.30 million, sale of commercial properties at RM0.24 million, property management at RM0.08 million and RM0.72 million was from property letting for the current period.

Sales of building materials to contractors engaged by the Group for its property development projects amounted to RM2.61 million and RM5.40 million, representing 30% and 39% of the total sales of building materials of RM8.75 million and RM13.93 million for the current quarter and period respectively.

The Group recorded a gross profit of RM3.61 million for the period under review. After taking into account interest income and other income totalling RM1.15 million and deducting expenses of RM13.02 million including finance cost of RM3.47 million, other expenses of RM0.51 million, administrative expenses of RM8.92 million, the Group incurred a loss before tax of RM8.26 million.

Administrative expenses of RM8.92 million comprised mainly fixed and semi-fixed costs namely staff costs, directors' remuneration, overheads and office expenses (including depreciation RM1.17 million) of approximately RM2.52 million, RM2.36 million and RM4.04 million respectively.

**2. Comments on material changes in profit/(loss) before taxation**

The Group recorded a loss before tax of RM3.33 million for the current quarter under review compared to loss before tax of RM4.90 million for the immediate preceding quarter as follows:-.

	Current quarter	Immediate preceding quarter	Changes	
	30.06.2019	31.03.2019	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	14,615	7,656	6,959	91
Gross profit	2,718	891	1,827	205
Loss Before Interest and Tax	(1,212)	(3,580)	2,368	66
Loss Before Tax	(3,332)	(4,932)	1,600	32
Loss After Tax	(3,309)	(4,904)	1,595	33
Loss attributable to ordinary equity holders of the Company	(3,309)	(4,904)	1,595	33

Revenue for the current quarter is higher than the immediate preceding quarter by RM6.96 million or 91% and loss before tax for the current quarter decreased by RM1.60 million or 32% as compared to the immediate preceding quarter loss before tax mainly due to higher sales in the current quarter under review as noted below.

For the current quarter under review, revenue from the property segment and building material segment amounted to RM5.86 million and RM8.75 million respectively as compared to preceding quarter of RM2.48 million and RM5.18 million respectively.

**3. Commentary on Prospects**

As at 30 June 2019, the Group has unbilled sales of approximately RM38.98 million and the gross development value of unsold units of its ongoing projects amounted to approximately RM159.71 million.

Barring any unforeseen circumstances, the Board expects the Group's operating environment for the current financial year to remain difficult due to the slow property market, the financing conditions faced by potential buyers and the property market sentiments.

**4. Profits forecast and profit guarantee**

The above is not applicable as no profit forecast and profit guarantee were provided.

**5. Income tax expense**

This is stated in note 11 to the interim financial statements.

**6. Corporate proposals**

There were no corporate proposals announced but not completed as at 23 August 2019, the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial statements other than the proposed voluntary liquidation/de-registration of non-operating subsidiaries as announced on 3 December 2018.

**7. Group borrowings and debt securities**

This is stated in note 16 to the interim financial statements.

**8. Changes in material litigation**

The Group did not have any material litigation as at 23 August 2019, the latest practicable date which is not earlier than 7 days from the date of issue of these interim financial statements.

**9. Dividends**

This is stated in note 20 to the interim financial statements.

**10. Earnings/(loss) per share**

This is stated in note 12 to the interim financial statements.

**11. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements of the Company for the preceding financial year ended 31 December 2018 was not subject to any qualification.

**12. Profit/(loss) before tax**

Disclosure of items as required under Appendix 9B, Part A(16) of Bursa Malaysia Securities Berhad listing requirements is stated in note 9 to the interim financial statements.

**13. Disclosure of derivatives**

The Group did not enter into any derivatives during the period ended 30 June 2019 or the previous financial year ended 31 December 2018.

**14. Disclosure of gains/losses arising from fair value changes of financial liabilities**

The Group did not have any financial liabilities measured at fair value through profit or loss as at 30 June 2019 and 31 December 2018.

**15. Breakdown of realised and unrealised profits or losses**

The above disclosure in the format prescribed by Bursa Malaysia Securities Bhd is as follows:

	<b>As at 30.06.2019</b> <b>RM'000</b>	<b>As at 31.12.2018</b> <b>RM'000</b>
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(76,626)	(68,413)
- Unrealised	-	-
	(76,626)	(68,413)
Less: Consolidation adjustments	-	-
Total Group accumulated losses as per consolidated accounts	(76,626)	(68,413)

**(C) Authorisation for issue of interim financial statements**

The Board of Directors of the Company had authorised this unaudited interim financial statements for issue on 27 August 2019.