

**KUMPULAN POWERNET BERHAD**

(Company No.: 419227-X)

**Unaudited Condensed Consolidated Statements of Financial Position as at 30 September 2017**

	<b>(Unaudited) As at 30/9/17 RM'000</b>	<b>(Audited) As at 30/6/17 RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	14,294	14,613
Investment properties	8,908	8,842
	<u>23,202</u>	<u>23,455</u>
<b>Current Assets</b>		
Receivables, deposits and prepayments	890	561
Inventories	9,290	9,287
Tax recoverable	184	191
Deposits placed with licensed banks	100	100
Cash and bank balances	631	565
Non-current asset held for sale	-	-
	<u>11,095</u>	<u>10,704</u>
<b>TOTAL ASSETS</b>	<u>34,297</u>	<u>34,159</u>
<b>EQUITY &amp; LIABILITIES</b>		
<b>Equity attributable to owners of the parents</b>		
Share capital	23,468	16,913
Reserves	(733)	122
	<u>22,735</u>	<u>17,035</u>
<b>Non-controlling interests</b>	(402)	(402)
<b>Total Equity</b>	<u>22,333</u>	<u>16,633</u>
<b>Non-Current Liabilities</b>		
Deferred taxation	576	576
Long term borrowings	3,153	3,229
	<u>3,729</u>	<u>3,805</u>
<b>Current Liabilities</b>		
Payables and accruals	7,766	13,258
Short term borrowings	469	463
	<u>8,235</u>	<u>13,721</u>
<b>Total Liabilities</b>	<u>11,964</u>	<u>17,526</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>34,297</u>	<u>34,159</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.31	0.30

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2017.

**KUMPULAN POWERNET BERHAD**

(Company No.: 419227-X)

**Unaudited Condensed Consolidated Statements of Comprehensive Income for the 3 months period ended 30 September 2017**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		3 months ended	
	30/9/17	30/9/16	30/9/17	30/9/16
	RM'000	RM'000	RM'000	RM'000
<b>Continuing operations</b>				
Revenue	1,321	734	1,321	734
Cost of Sales	(1,534)	(916)	(1,534)	(916)
	(213)	(182)	(213)	(182)
Other income	32	96	32	96
Administrative expenses	(609)	(773)	(609)	(773)
Distribution expenses	(115)	(48)	(115)	(48)
(Loss)/ Gain in foreign exchange	(1)	(2)	(1)	(2)
Other non-operating expenses	(43)	-	(43)	-
Operating loss from operations	(949)	(909)	(949)	(909)
Finance costs	(37)	(40)	(37)	(40)
Loss before taxation	(986)	(949)	(986)	(949)
Taxation	14	(51)	14	(51)
Loss for the financial period/year	(972)	(1,000)	(972)	(1,000)
Loss attributable to:				
Owners of the parent	(972)	(993)	(972)	(993)
Non-controlling interests	-	(7)	-	(7)
Loss per ordinary share attributable to owners of the parent (sen)				
Basic	(1.33)	(1.76)	(1.33)	(1.76)
Diluted	(1.33)	(1.76)	(1.33)	(1.76)

The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2017.

**KUMPULAN POWERNET BERHAD**

(Company No.: 419227-X)

**Unaudited Condensed Consolidated Statements of Comprehensive Income for the 3 months period ended 30 September 2017**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>30/9/17</b>	<b>30/9/16</b>	<b>30/9/17</b>	<b>30/9/16</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Net loss for the financial period/year	(972)	(1,000)	(972)	(1,000)
Other comprehensive income:				
Translation of foreign operations	117	(106)	117	(106)
Revaluation of property, plant and equipment	-	183	-	183
Other comprehensive income for the financial period/year	<u>117</u>	<u>77</u>	<u>117</u>	<u>77</u>
Total comprehensive loss for the financial period/year	<u><u>(855)</u></u>	<u><u>(923)</u></u>	<u><u>(855)</u></u>	<u><u>(923)</u></u>
Attributable to:				
Owners of the parent	(855)	(916)	(855)	(916)
Non-Controlling Interests	-	(7)	-	(7)
Total comprehensive loss for the period/year	<u><u>(855)</u></u>	<u><u>(923)</u></u>	<u><u>(855)</u></u>	<u><u>(923)</u></u>

The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2017.

**KUMPULAN POWERNET BERHAD**

(Company No.: 419227-X)

**Unaudited Condensed Consolidated Statements of Changes of Equity for the 3 months period ended 30 September 2017**

	← Non-distributable →				Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Asset Revaluation Reserves RM'000	Translation Reserve RM'000	Accumulated (Losses)/ profit RM'000			
<b>As at 1 July 2017</b>	16,913	4,912	(3)	(4,787)	17,035	(402)	16,633
<b>Issuance of shares</b>	6,555	-	-	-	6,555	-	6,555
<b>Net loss for the year</b>	-	-	-	(972)	(972)	-	(972)
Foreign currency translation	-	-	117	-	117	-	117
<b>Total comprehensive loss for the financial year</b>	-	-	117	(972)	(855)	-	(855)
<b>As at 30 September 2017</b>	<b>23,468</b>	<b>4,912</b>	<b>114</b>	<b>(5,759)</b>	<b>22,735</b>	<b>(402)</b>	<b>22,333</b>
As at 1 July 2016	16,913	4,957	(148)	2,429	24,151	(477)	23,674
Net loss for the financial period	-	-	-	(7,187)	(7,187)	(31)	(7,218)
Foreign currency translation	-	-	145	-	145	-	145
Total comprehensive loss for the financial period	-	-	145	(7,187)	(7,042)	(31)	(7,073)
<b>Transaction with owners</b>							
Transfer to retained earning	-	(45)	-	77	32	-	32
Acquisition of additional interest in subsidiary	-	-	-	(106)	(106)	106	-
Total transaction with owners	-	(45)	-	(29)	(74)	106	32
<b>As at 30 June 2017</b>	<b>16,913</b>	<b>4,912</b>	<b>(3)</b>	<b>(4,787)</b>	<b>17,035</b>	<b>(402)</b>	<b>16,633</b>

The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2017.

**KUMPULAN POWERNET BERHAD**

(Company No.: 419227-X)

**Unaudited Condensed Consolidated Statements of Cash Flow for the 3 months period ended 30 September 2017**

	<b>CUMULATIVE QUARTER</b>	
	<b>3 months ended</b>	
	<b>30/9/17</b>	<b>30/9/16</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flow from operating activities</b>		
Loss before taxation	(986)	(949)
Adjustments for :-		
Depreciation	359	401
Reversal of impairment on trade receivables	(28)	-
Bad debts written off	1	-
Loss/(Gain) on disposal of property, plant and equipments	-	(114)
Loss on liquidation of subsidiary company	43	-
Interest income	(1)	-
Interest expense	37	40
<b>Operating loss before changes in working capital</b>	<u>(575)</u>	<u>(622)</u>
<b>Changes in working capital</b>		
Inventories	(3)	(98)
Receivables	(299)	(451)
Payables	(6,604)	956
<b>Net cash flows used in operation</b>	<u>(7,481)</u>	<u>(215)</u>
Tax paid	-	(51)
Tax refund	14	-
Interest paid	-	(1)
Interest received	1	-
<b>Net cash used in operating activities</b>	<u>(7,466)</u>	<u>(267)</u>
<b>Cash flow from investing activities</b>		
Proceeds from disposal of property, plant and equipment	-	696
<b>Net cash used in investing activities</b>	<u>-</u>	<u>696</u>
<b>Cash flow from financing activities</b>		
Interest paid	(37)	(39)
Proceed from issuance of share	6,555	-
Proceed from withdrawal of fixed deposit	-	(86)
Advances from a director	1,131	-
(Repayment)/Drawdown of term loan	(114)	(94)
<b>Net cash from financing activities</b>	<u>7,535</u>	<u>(219)</u>
<b>Net change in cash and cash equivalents</b>	<u>69</u>	<u>210</u>
<b>Cash and cash equivalents at beginning of financial period</b>	665	1,110
<b>Effect of currency translation differences</b>	(3)	(2)
	<u>662</u>	<u>1,108</u>
<b>Cash and cash equivalents at end of financial year</b>	<u>731</u>	<u>1,318</u>
<b>Cash and cash equivalents at the end of the financial year comprises the following :-</b>		
Cash and bank balance	631	1,218
Short term deposits	100	100
	<u>731</u>	<u>1,318</u>

The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2017.

# KUPMULAN POWERNET BERHAD

(Company No. 419227-X)

## NOTES TO UNAUDITED CONSOLIDATED QUARTERLY RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2017

### A. Explanatory notes to interim financial reports

#### A1. Basis of preparation

The interim report is unaudited and has been prepared in compliance with the requirement of MFRS 134 and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2017 and accompanying explanatory notes attached to the interim financial report.

#### A2. Adoption of Standards, Amendments and Annual Improvements to Standards

##### (a) Application of new or revised standards

The Group and the Company have adopted the following amendments/improvements to MFRSs that are mandatory for the current financial year:

##### Amendments/Improvements to MFRSs

MFRS 12	Disclosure of Interest in Other Entities
MFRS 107	Statement of Cash Flows
MFRS 112	Income Taxes

The adoption of the above amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and of the Company, and did not result in significant changes to the Group's and the Company's existing accounting policies.

##### (b) New MFRSs and amendments/improvements to MFRSs that have been issued, but yet to be effective

The Group and the Company have not adopted the following new MFRSs and amendments/improvements to MFRSs that have been issued, but yet to be effective:

<u>New MFRSs</u>		<u>Effective Date</u>
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 16	Leases	1 January 2019
MFRS 17	Insurance Contracts	1 January 2021

##### Amendments/Improvements to MFRSs

MFRS 1	First-time adoption of MFRSs	1 January 2018
MFRS 2	Share-Based Payment	1 January 2018
MFRS 4	Insurance Contracts	1 January 2018
MFRS 10	Consolidated Financial Statements	1 January 2018
MFRS 128	Investments in Associates and Joint Ventures	1 January 2018/ Deferred
MFRS 140	Investment Property	1 January 2018

#### A2. Adoption of Standards, Amendments and Annual Improvements to Standards (continued)

(b) New MFRSs and amendments/improvements to MFRSs that have been issued, but yet to be effective  
(continued)

A brief discussion on the above significant new MFRSs and amendments/improvements to MFRSs are summarised below. Due to the complexity of these new MFRSs and amendments/improvements to MFRSs, the financial effects of their adoption are currently still being assessed by the Group and the Company.

Except as otherwise indicated below, the adoption of the above new standards, amendments and interpretation are not expect to have significant impact on the financial statements of the Group and of the Company.

MFRS 9 Financial Instruments

Key requirements of MFRS 9:-

MFRS 9 introduces an approach for classification of financial assets which is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments.

In essence, if a financial asset is a simple debt instrument and the objective of the entity's business model within which it is held is to collect its contractual cash flows, the financial asset is measured at amortised cost. In contrast, if that asset is held in a business model the objective of which is achieved by both collecting contractual cash flows and selling financial assets, then the financial asset is measured at fair value in the statements of financial position, and amortised cost information is provided through profit or loss. If the business model is neither of these, then fair value information is increasingly important, so it is provided both in the profit or loss and in the statements of financial position.

Impairment

MFRS 9 introduces a new, expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, this Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis. The model requires an entity to recognise expected credit losses at all times and to update the amount of expected credit losses recognised at each reporting date to reflect changes in the credit risk of financial instruments. This model eliminates the threshold for the recognition of expected credit losses, so that it is no longer necessary for a trigger event to have occurred before credit losses are recognised.

Hedge accounting

MFRS 9 introduces a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new model represents a significant overhaul of hedge accounting that aligns the accounting treatment with risk management activities, enabling entities to better reflect these activities in their financial statements. In addition, as a result of these changes, users of the financial statements will be provided with better information about risk management and the effect of hedge accounting on the financial statements.

MFRS 15 Revenue from Contracts with Customers

The core principle of MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with the core principle by applying the following steps:

- Identify the contracts with a customer.
- Identify the performance obligation in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contract.
- Recognise revenue when (or as) the entity satisfies a performance obligation.

MFRS 15 also includes new disclosures that would result in an entity providing users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

The following MFRSs and IC Interpretations will be withdrawn on the application of MFRS 15:

MFRS 111	Construction Contracts
MFRS 118	Revenue
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 15	Agreements for the Construction of Real Estate
IC Interpretation 18	Transfers of Assets from Customers
IC Interpretation 131	Revenue – Barter Transactions Involving Advertising Services

**A3. Audit report of preceding annual financial statements**

The audited statements for the financial year ended 30 June 2016 were not subjected to any qualifications.

**A4. Seasonal or cyclical factors**

The demands for the Group's products are not subject to seasonal or cyclical factors during the current financial quarter under review.

**A5. Unusual items**

There were no items affecting the assets, liabilities, equity, net income, or cash flow that were unusual because of their nature, size, or incidence during the current financial quarter under review.

**A6. Material changes in accounting estimates**

There were no changes in the estimates of amount reported in prior financial period that had a material effect in the current financial quarter under review.

**A7. Issuance, cancellations, repurchase, resale and repayments of debts and equity securities**

There were no issuance, cancellations, repurchase, resale and repayments of debts and equity securities during the current financial quarter under review.

**A8. Dividend**

No interim or final dividends were declared or paid during the current financial quarter under review.



**A9. Segmental information**

Segmental analysis of the results, assets employed and liabilities for the 3 months ended 30 September 2017 are as follows:-

	<b>Revenue</b>	<b>Inter-segment Sales</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Property	-	-	-
Investment	107	-	107
Manufacturing & Others	1,214	-	1,214
Consolidation	1,321	-	1,321
	<b>Profit / (Loss)</b>	<b>Total assets</b>	<b>Total liabilities</b>
	<b>before taxation</b>	<b>employed</b>	<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Property	(2)	6,902	359
Investment	(60)	9,357	3,669
Manufacturing & Others	(924)	21,804	12,673
	(986)	38,063	16,701
Elimination of inter-segment	-	(3,766)	(4,737)
Consolidation	(986)	34,297	11,964

**A10. Valuation of property, plant and equipment**

The valuation of plant, property and equipment have been brought forward without amendments from the financial statements for the quarter under review.

**A11. Material events subsequent to the end of the financial period**

There were no material events subsequent to the end of financial period that has not been reflected in the financial statements for the period under review.

**A12. Change in composition of the Group**

In the current quarter ended 30 September 2017, Powernet Products (UK) Limited ("PPUK"), a wholly-owned subsidiary of Hypergize Link Sdn Bhd which in turn, a wholly-owned subsidiary of Kumpulan Powernet Berhad ("KPB"), had been strike off on 24 August 2017.

**A13. Changes in contingent liabilities and contingent assets**

There were no contingent liability and contingent assets which become enforceable may have a material effect on the net assets, profits or financial position of the Group for the current financial period to date.

**B. Additional information required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.**

**B1. Review of performance**

A comparison of the results of current quarter ended 30 September 2017 is as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter  01/07/17 - 30/09/17 (RM'000)	Preceding Year Corresponding Quarter  01/07/16 - 30/09/16 (RM'000)	3 months Ended  30/09/17 (RM'000)	3 months Ended  30/09/16 (RM'000)
Revenue	1,321	734	1,321	734
Profit/(Loss) before taxation	(986)	(949)	(986)	(949)
Profit/(Loss) after taxation (before non-controlling interest)	(972)	(1,000)	(972)	(1,000)
Profit/(Loss) after taxation (after non-controlling interest)	(972)	(993)	(972)	(993)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter  01/07/17 - 30/09/17 (RM'000)	Preceding Year Corresponding Quarter  01/07/16 - 30/09/16 (RM'000)	3 months Ended  30/09/17 (RM'000)	3 months Ended  30/09/16 (RM'000)
Revenue				
- Property	-	-	-	-
- Investment	107	145	107	145
- Manufacturing & Others	1,214	589	1,214	589
	1,321	734	1,321	734

An analysis of the above results based on the operating segments are as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter  01/07/17 - 30/09/17 (RM'000)	Preceding Year Corresponding Quarter  01/07/16 - 30/09/16 (RM'000)	3 months Ended  30/09/17 (RM'000)	3 months Ended  30/09/16 (RM'000)
Profit/(Loss) before taxation				
- Property	(2)	-	(2)	-
- Investment	(60)	129	(60)	129
- Manufacturing & Others	(924)	(1,078)	(924)	(1,078)
	(986)	(949)	(986)	(949)

**B1. Review of performance (continued)**Revenue

Revenue for the quarter increased by 80% to RM1.321 million as compared to RM0.734 million in the corresponding quarter of the preceding year.

During the quarter, the Investment segment registered a revenue of RM0.107 million, a decreased of 26.2% as compared to RM0.145 million in the corresponding quarter of the preceding year. The manufacturing segment recorded a revenue of RM1.214 million, increased by 106% compared to RM0.589 million in the corresponding quarter of the preceding year. The decreased in revenue for the investment segment was due to the lower demand of the rooms during the sem break. The increased in the manufacturing segment was attributable to higher demand of our textile products.

Profit / (Loss) before taxation

The Group's losses before taxation for the quarter was increased to RM0.986 million compared to RM0.949 million in the corresponding quarter of preceding year. The higher losses was due to the higher costs incurred for investment segments compared to corresponding quarter of preceding year.

The Group losses reduced by RM0.021 million to RM0.972 million or reduced 2% compared to RM0.993 million in the corresponding quarter of preceding year. Investment segment made a losses of RM0.06 million compared to a profit of RM0.129 million in corresponding quarter of preceding year is due to the sem break during the new academic year. Manufacturing segment losses reduced by RM0.154 million to RM0.924 million compared to RM1.078 million in the corresponding quarter of preceding year mainly due to higher revenue compare to corresponding quarter of preceding year.

**B2. Variation of results against preceding quarter**

A comparison of the results of the current quarter ended 30 September 2017 against immediate preceding quarter is as follows:-

	<b>Current Quarter 01/07/17 - 30/09/17 (RM'000)</b>	<b>Preceding Quarter 01/04/17 - 30/06/17 (RM'000)</b>
Revenue	1,321	1,311
Profit/(Loss) before taxation	(986)	(3,704)
Profit/(Loss) after taxation (before non-controlling interest)	(972)	(3,635)
Profit/(Loss) after taxation (after non-controlling interest)	(972)	(3,729)

	<b>Current Quarter 01/07/17 - 30/09/17 (RM'000)</b>	<b>Preceding Quarter 01/04/17 - 30/06/17 (RM'000)</b>
Revenue		
- Property	-	-
- Investment	107	524
- Manufacturing & Others	1,214	787
	1,321	1,311
Elimination of inter-segment	-	-
Consolidation	1,321	1,311

**B2. Variation of results against preceding quarter (continued)**

Below is the analysis of the results based on the operating segments of the Group:

	<b>Current Quarter 01/07/17 - 30/09/17</b>	<b>Preceding Quarter 01/04/17 - 30/06/17</b>
Profit/ (Loss) before taxation		
- Property	(2)	-
- Investment	(60)	192
- Manufacturing	(924)	(1,318)
	(986)	(1,126)
Elimination of inter-segment	-	-
Consolidation	(986)	(1,126)

During the quarter, the revenue of the Group increased by 0.7% to RM1.321 million as compared to preceding quarter of RM1.311 million. There were no property revenue as Sentul Project open to sell in September 2017. Investment segment reduced by RM0.417 million to RM0.107 million compared to RM0.524 million in last quarter. Manufacturing segment recorded revenue of RM1.214 million an increased of RM0.427 million from RM0.787 million during the quarter mainly due to higher demand of the products.

The property segment losses is due to the administrative expenses incurred during the quarter. The investment segment recorded a losses of RM0.06 million compared to RM0.192 million gain in the preceding quarter mainly due to the lower intake students during the sem break of the new academic year. The manufacturing segment recorded lower losses of RM0.986 million as compared to losses of RM1.126 million in the preceding quarter mainly due to higher revenue during this quarter.

**B3. Prospects**

We are optimistic with the general outlook for the upcoming year.

Efforts to push sales is starting to yield results. Quarter-on-quarter revenue increased almost 80%. With such encouraging performance, the Group is hoping to build on the momentum and continue to put in more effort in marketing for even better results going forward.

Sentul joint venture property development project between KPB and Majlis Bekas Wakil Rakyat (MUBARAK) title transfer was completed on 21 July 2017. The Group has already started marketing the development to prospective buyers.

**B4. Profit forecast**

Not applicable as no profit forecast and no profit guarantee was published.

**B5. Taxation**

	<b>Individual Quarter 3 months ended 30/09/17 (RM'000)</b>	<b>Cumulative Quarter 3 months ended 30/09/17 (RM'000)</b>
Current tax expense	14	14
Deferred tax expense	-	-
Total	<u>14</u>	<u>14</u>

**B6. Status of corporate proposals**

As at 14 September 2017, KPB announced that Bursa Securities has resolved to approve the listing of and quotation for up to 6,922,794 Placement Shares to be issued pursuant to the Private Placement.

As at 6 October 2017, KPB announced that the first tranche issue price of RM0.80 for each Placement Share represents a premium of RM0.01 or 1.27% of the 5-day VWAMP of the Shares up to and including 5 October 2017, being the market day immediately before the Price-Fixing Date, of RM0.79.

As at 9 November 2017, KPB announced that the second tranche issue price of RM0.80 for each Placement Share represents the 5-day VWAMP of the Shares up to and including 8 November 2017, being the market day immediately before the Price-Fixing Date, of RM0.80.

As at 20 November 2017, KPB announced that the third tranche issue price of RM0.80 for each Placement Share represents a discount of RM0.01 or 1.23% of the 5-day VWAMP of the Shares up to and including 17 November 2017, being the market day immediately before the Price-Fixing Date, of RM0.81.

**B7. Current liabilities**Term Loan (Secured)

Long Term loan	3,153
Short Term loan	469
	<u>3,622</u>

**B8. Financial instruments**

## a) Derivatives

The Group does not have any outstanding derivatives as at the date of this report.

## b) Gain/Loss arising from fair value changes in financial liabilities

There were no gain/loss arising from fair value changes in financial liabilities for the current financial period.

**B9. Changes in material litigation**

There were no material litigation pending since the last financial year ended 30 June 2017 up to 30 November 2017.

**B10. Dividends**

The Board does not recommend any dividend for the current period under review.

**B11. Earnings / (loss) per share**

The calculation of basic earnings / (loss) per share for the current quarter under review is based on the net loss attributable to owners of parent of RM0.972 million over the number of ordinary shares in issue during the current period of 72,977,941.

**B12. Realised and unrealised profit/losses disclosure**

The breakdown of the retained profits / (accumulated losses) of the Group as at 30 September 2017, into realised and unrealised losses is as follows:-

	<b>Current Quarter 30/09/17 (RM'000)</b>	<b>Preceding Quarter 31/06/17 (RM'000)</b>
Realised losses	(42,819)	(41,914)
Unrealised	(24)	(24)
	<hr/>	<hr/>
	(42,843)	(41,938)
Add: Consolidation adjustments	37,084	37,151
	<hr/>	<hr/>
	<u>(5,759)</u>	<u>(4,787)</u>

**B13. Disclosure pursuant to appendix 9B of main market listing requirement**

	<b>Individual Quarter 3 months ended 30/09/17 (RM'000)</b>	<b>Cumulative Quarter 3 months ended 30/09/17 (RM'000)</b>
(a) interest income	1	1
(b) other income including investment income	31	31
(c) interest expense	37	37
(d) depreciation and amortization	359	359
(e) provision for and write off of receivables	1	1
(f) provision for and write off of inventories	-	-
(g) Loss on disposal of quoted or unquoted investments or properties	68	68
(h) impairment of assets	-	-
(i) Realised (loss)/gain on foreign exchange	1	1
(j) gain or loss on derivatives and	-	-
(k) exceptional items (with details)	-	-

By Order of the Board

Wong Youn Kim  
Company Secretary  
Date: 30 November 2017