

BIO OSMO BHD (740838-A)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2018

RM'000	3 months ended			9 months ended		
	31.03.18 (Unaudited)	31.03.17 (Unaudited)	Changes (%)	31.03.18 (Unaudited)	31.03.17 (Unaudited)	Changes (%)
Revenue	1,457	2,382	(39)	4,075	6,324	(36)
Other income	569	7	8,029	587	619	(5)
Operating expenses	(2,689)	(5,662)	(53)	(7,246)	(12,433)	(42)
Operating loss before tax	<u>(663)</u>	<u>(3,273)</u>	(80)	<u>(2,584)</u>	<u>(5,490)</u>	(53)
Taxation	(242)	(106)	128	(548)	(293)	87
Net loss after tax	<u><u>(905)</u></u>	<u><u>(3,379)</u></u>	(73)	<u><u>(3,132)</u></u>	<u><u>(5,783)</u></u>	(46)
Total comprehensive expense for the period	<u><u>(905)</u></u>	<u><u>(3,379)</u></u>	(73)	<u><u>(3,132)</u></u>	<u><u>(5,783)</u></u>	(46)
(Loss)/profit attributable to:						
Owners of the Company	(728)	(3,385)	(78)	(2,975)	(5,737)	(48)
Non-controlling interest	<u>(177)</u>	<u>6</u>	(3,050)	<u>(157)</u>	<u>(46)</u>	241
	<u><u>(905)</u></u>	<u><u>(3,379)</u></u>	(73)	<u><u>(3,132)</u></u>	<u><u>(5,783)</u></u>	(46)
Total comprehensive (expense)/income attributable to:						
Owners of the Company	(728)	(3,385)	(78)	(2,975)	(5,737)	(48)
Non-controlling interest	<u>(177)</u>	<u>6</u>	(3,050)	<u>(157)</u>	<u>(46)</u>	241
	<u><u>(905)</u></u>	<u><u>(3,379)</u></u>	(73)	<u><u>(3,132)</u></u>	<u><u>(5,783)</u></u>	(46)
Loss per share attributable to Owners of the Company (sen):-						
Basic	(0.09)	(0.47)	(80)	(0.37)	(0.91)	(59)
Fully diluted*	<u>(0.09)</u>	<u>(0.47)</u>	(80)	<u>(0.37)</u>	<u>(0.91)</u>	(59)

* The diluted loss per share of the Group is equivalent to the basic loss per share as the diluted loss per share has anti-dilutive effect.

The above condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to these interim financial statements.

BIO OSMO BHD (740838-A)
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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2018

RM'000	As at 31.03.18 (Unaudited)	As at 30.06.17 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	20,619	23,081
Intangible assets	12,763	13,533
Trade receivables	586	451
Total non-current assets	<u>33,968</u>	<u>37,065</u>
Current assets		
Inventories	-	574
Trade receivables	2,854	4,978
Other receivables, deposits and prepayments	1,609	944
Fixed deposits with licensed bank	306	306
Cash on hand and at banks	3,041	2,083
Total current assets	<u>7,810</u>	<u>8,885</u>
TOTAL ASSETS	<u><u>41,778</u></u>	<u><u>45,950</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	42,299	42,299
Accumulated losses	(15,657)	(12,682)
Equity attributable to Owners of the Company	26,642	29,617
Non-controlling interest	4,695	5,415
Total equity	<u>31,337</u>	<u>35,032</u>
Non-current liabilities		
Deferred tax liability	735	766
Trade payables	100	81
Total non-current liabilities	<u>835</u>	<u>847</u>
Current liabilities		
Trade payables	683	1,185
Other payables and accruals	6,890	7,583
Amounts due to Directors	150	389
Tax payable	1,320	914
Dividend payable	563	-
Total current liabilities	<u>9,606</u>	<u>10,071</u>
Total liabilities	<u>10,441</u>	<u>10,918</u>
TOTAL EQUITY AND LIABILITIES	<u><u>41,778</u></u>	<u><u>45,950</u></u>
Net assets per share attributable to owners of the Company (RM)	<u>0.03</u>	<u>0.04</u>

The above condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to these interim financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR-TO-DATE ENDED 31 MARCH 2018

	<----- Attributable to Owners of the Company ----->				Total	Non- controlling Interest	Total Equity
	Share Capital	Distributable	<----- Non-Distributable ----->				
		Accumulated losses	Share Premium	Warrants Reserve			
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Balance as of 1 July 2017	42,299	(12,682)	-	-	29,617	5,415	35,032
Total comprehensive expense for the period	-	(2,975)	-	-	(2,975)	(157)	(3,132)
Dividends	-	-	-	-	-	(563)	(563)
Balance as of 31 March 2018	42,299	(15,657)	-	-	26,642	4,695	31,337
Balance as of 1 July 2016	24,933	(3,023)	288	2,093	24,291	(1,103)	23,188
Issuance of shares	11,220	-	-	-	11,220	-	11,220
Acquisition of new subsidiary	-	-	-	-	-	6,281	6,281
Warrants expiry	-	2,093	-	(2,093)	-	-	-
Total comprehensive expense for the period	-	(5,737)	-	-	(5,737)	(46)	(5,783)
Balance as of 31 March 2017	36,153	(6,667)	288	-	29,774	5,132	34,906

The above condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to these interim financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR-TO-DATE ENDED 31 MARCH 2018

RM'000	9 months ended	
	31.03.18	31.03.17
	(Unaudited)	(Unaudited)
CASH FLOWS USED IN OPERATING ACTIVITIES		
Loss before taxation	(2,584)	(5,490)
Adjustments for:		
Amortisation of intangible assets	770	-
Amortisation of leasehold land	43	-
Depreciation of property, plant and equipment	1,562	1,431
Impairment loss on property, plant and equipment	860	-
Gain on disposal of property, plant and equipment	(20)	(460)
Interest income	(19)	(21)
Negative goodwill on consolidation	-	(93)
Unrealised gain on foreign currency exchange	(159)	-
Operating profit/(loss) before working capital changes	453	(4,633)
Decrease/(increase) in inventories	574	(112)
Decrease/(increase) in receivables	1,324	(5,586)
Decrease in amount due to Directors	(239)	-
(Decrease)/increase in payables	(1,176)	2,880
Cash generated from/(absorbed by) operations	936	(7,451)
Interest received	19	-
Income tax paid	(173)	(6)
Net cash from/(used in) operating activities	782	(7,457)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3)	(3,396)
Proceeds from disposal of property, plant and equipment	20	12,000
Cash outflow on acquisition of a subsidiary company	-	(12,850)
Net cash from/(used in) investing activities	17	(4,246)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares	-	11,220
Net cash from financing activities	-	11,220
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	799	(483)
EFFECT OF EXCHANGE RATE CHANGES	159	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	2,083	625
CASH AND CASH EQUIVALENTS AT END OF PERIOD	3,041	142
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD COMPRISE:		
Cash and bank balances	3,041	142
Fixed deposit with licensed banks	306	306
	3,347	448
Less : Fixed deposit pledged to licensed banks	(306)	(306)
	3,041	142

The above condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to these interim financial statements.

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NOTES TO THE QUARTERLY REPORT ON CONSOLIDATED RESULT FOR THE QUARTER AND 3 MONTHS ENDED 31 MARCH 2018

A1. BASIS OF PREPARATION

This condensed consolidated interim financial statements (Condensed Report), other than for financial instruments, have been prepared under the historical cost convention. Certain financial instruments have been carried at fair value in accordance to Malaysian Financial Reporting Standard (MFRS) 139 Financial Instruments: Recognition and Measurement.

This condensed consolidated interim financial statements (Condensed Report) have been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017. The explanatory notes attached to the Condensed Report provide an explanation of 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 30 June 2017.

A2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Condensed Report are consistent with those followed in the preparation of the Group's audited financial statements for the financial year ended 30 June 2017, except the following:

Adoption of Amendments to Standards and IC Interpretations

The Group has adopted the following Amendments to Standards and IC Interpretations, with a date of initial application of 1 January 2017.

Amendments to MFRS 107	Statement of Cash Flows - Disclosure Initiative
Amendments to MFRS 112	Income Taxes - Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to MFRS 12	Disclosure of Interests in Other Entities (Annual Improvements to MFRSs 2014 - 2016 Cycle)

The above pronouncements are either not relevant or do not have any impact on the financial statements of the Group, except for the Amendments to MFRS107 Statement of Cash Flows - Disclosure Initiative.

These amendments to MFRS 107 Statement of Cash Flows - Disclosure Initiative require the Group to disclose a reconciliation between the opening and closing balances for liabilities arising from financing activities, including changes arising from both cash flow and non-cash flow items. The adoption of these amendments does not require additional disclosure in the Condensed Report, but such disclosure will be required in the annual financial statements.

Standards issued but not yet effective

At the date of authorisation of the Condensed Report, the following Standards, Amendments and Annual Improvements to Standards were issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective and have not been adopted by the Group:

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A2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Standards issued but not yet effective (cont'd)

Effective for financial periods beginning on or after 1 January 2018

MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers & Clarifications to MFRS 15
Amendments to MFRS 2	Share-based Payment - Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 4	Insurance Contracts - Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
Amendments to MFRS 140	Investment Property - Transfers of Investment Property
Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRSs 2014 - 2016 Cycle)
Amendments to MFRS 128	Investments in Associates and Joint Ventures (Annual Improvements to MFRSs 2014 - 2016 Cycle)
IC Interpretations 22	Foreign Currency Transactions and Advance Consideration

Effective for financial periods beginning on or after 1 January 2019

MFRS 9	Financial Instruments - Prepayment Features with Negative Compensation
MFRS 16	Leases
Amendments to MFRS 3, MFRS 11, MFRS 112, MFRS 123	Annual Improvements to MFRSs 2015 - 2017 Cycle
Amendments to MFRS 119	Employee Benefits - Plan Amendments, Curtailment or Settlement
Amendments to MFRS 128	Investment in Associates and Joint Ventures - Long-term Interest in Associates and Joint Ventures

Effective for financial periods beginning on or after 1 January 2020

Amendments to MFRS 2	Share-based Payment
Amendments to MFRS 3	Business Combinations
Amendments to MFRS 6	Exploration for and Evaluation of Mineral Resources
Amendments to MFRS 14	Regulatory Deferred Accounts
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to MFRS 134	Interim Financial Reporting
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
Amendments to MFRS 138	Intangible Assets
Amendments to IC Interpretations 12	Service Concession Arrangements
Amendments to IC Interpretations 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretations 20	Stripping Costs in the Production Phase of a Surface Mine
Amendments to IC Interpretations 22	Foreign Currency Transactions and Advance Consideration
Amendments to IC Interpretations 132	Intangible Assets - Web Site Costs

Effective for financial periods beginning on or after 1 January 2021

MFRS 17	Insurance Contracts
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The Group will adopt the above pronouncements when they become effective in the respective financial periods. The Group does not expect any material impact to the financial statements on the above pronouncements.

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A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The preceding financial period's audited financial statements of the Group were not subject to any qualification.

A4. SEASONAL AND CYCLICAL FACTORS

The business operations of the Group are subject to the forces of supply and demand, and thus could display cyclical trends.

A5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no material items of an unusual nature and amount for the current quarter and year-to-date ended 31 March 2018.

A6. MATERIAL ESTIMATES AND CHANGES IN ESTIMATES

There were no material changes in the estimates used in the current quarter and year-to-date ended 31 March 2018.

A7. ISSUANCES, CANCELLATIONS, REPURCHASES, RESALE AND REPAYMENTS OF DEBT AND EQUITY SECURITIES

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations and resale of treasury shares for the current quarter and year-to-date ended 31 March 2018.

A8. DIVIDEND PAID

There were no dividends paid during the current and previous corresponding quarter.

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A9. SEGMENTAL INFORMATION

MFRS 8 requires separate reporting of segmental information for operating segments. Operating segments reflect the Group's management structure and the way financial information is regularly reviewed by the top management and the Board of Directors.

The Group is focused in 2 areas of activities, bottled drinking water business and hospitality business. The new hospitality business includes businesses of management and operation of hotels and resorts, property investment and hotel development.

<u>Segment Revenue and Results</u>	3 months ended		9 months ended	
	31.03.18	31.03.17	31.03.18	31.03.17
RM '000				
Revenue				
- Bottled water	622	884	1,663	4,267
- Hospitality	835	1,498	2,412	2,057
	<u>1,457</u>	<u>2,382</u>	<u>4,075</u>	<u>6,324</u>
Net (loss)/profit after tax				
- Bottled water	(1,244)	(2,687)	(2,578)	(4,753)
- Hospitality	487	572	811	937
- other unallocated expenses	(148)	(1,264)	(1,365)	(1,967)
	<u>(905)</u>	<u>(3,379)</u>	<u>(3,132)</u>	<u>(5,783)</u>

Hospitality

The Hospitality Division contributed revenue of RM0.835 million during the quarter under review, compared to RM1.498 million recorded in the previous corresponding period. The lower revenue was due to the time lag in the billing of technical consultancy fee, as it is pegged to the progress of the development schedule of Impiana Cherating Hotel & Resort and Impiana Ubud Resort in Bali. Nevertheless, on the nine-month cumulative period to 31 March 2018, this division achieved a total revenue of RM2.412 million, 17.3% higher than the previous corresponding period, and accounted for 59.2% of group revenue.

On earnings, the Hospitality Division chalked in a profit after tax of RM0.487 million during the quarter, compared to RM0.572 million in profit after tax during 3Q of the previous financial year. For the nine-month period, net profit after tax from this division was RM0.811 million, versus RM0.937 million recorded previously.

Bottled Water

For the current quarter, the Bottled Water Division posted a revenue of RM0.622 million, compared to RM0.884 million during the previous year's corresponding quarter. For the nine-month cumulative basis, revenue was RM1.663 million vis-à-vis RM4.267 million during the previous period. Since the beginning of the current financial year, the sales of bottled water were channelled through a third party distributor on "cost plus" basis, hence resulted in lower recorded revenue.

The loss after tax from this Division during the quarter was RM1.244 million, compared to RM2.687 million recorded during the previous year's corresponding quarter. The loss also included an impairment loss of RM0.860 million for plant and equipment at the bottled water factory, without which the loss after tax would have been much lower at RM0.384 million. On a nine-month basis, the loss after tax from this division has also reduced from RM4.753 million to RM2.578 million.

Holding Company

The Holding Company incurred a loss after tax of RM0.148 million during the quarter under review, or RM1.365 million for the nine-month period ended 31 March 2018. These were related to operational expenses at the holding company, as well as professional fees incurred.

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A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There were no revaluation of property, plant and equipment during the quarter and year-to-date ended 31 March 2018.

A11. EVENTS AFTER THE REPORTING PERIOD

There was no material event subsequent to the end of the reporting period for the quarter and year-to-date ended 31 March 2018.

A12. RELATED PARTY TRANSACTION

Significant transaction between the Group with the related parties during the quarter and year-to-date ended 31 March 2018.

RM '000	3 months ended		9 months ended	
	31.03.18	31.03.17	31.03.18	31.03.17
Hotel management and technical fees received from:				
- Impiana Hotel Ipoh Sdn. Bhd.	407	-	550	-
- Impiana Cherating Sdn. Bhd.	428	-	1,370	-
- Impiana Ubud (Labuan) Co. Ltd.	-	-	230	-
- Impiana Tioman Sdn. Bhd.	-	-	262	-

The transactions were entered in the normal course of business and have been established under normal commercial terms that are no less favourable than those arranged with independent third parties.

A13. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the quarter and year-to-date ended 31 March 2018.

A14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities and assets as at the date of this report.

A15. CAPITAL COMMITMENT

There were no capital commitment by the Group during the financial period under review.

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ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. FINANCIAL REVIEW FOR CURRENT QUARTER AND CULMULATIVE QUARTER

RM'000	3 months ended			9 months ended		
	31.03.18	31.03.17	Changes (%)	31.03.18	31.03.17	Changes (%)
Revenue	1,457	2,382	(39)	4,075	6,324	(36)
Operating loss before tax	(663)	(3,273)	(80)	(2,584)	(5,490)	(53)
Taxation	(242)	(106)	128	(548)	(293)	87
Net loss after tax	(905)	(3,379)	(73)	(3,132)	(5,783)	(46)
Loss attributable to Owners of the Company	(728)	(3,385)	(78)	(2,975)	(5,737)	(48)

For the current quarter under review, the Group registered a group revenue of RM1.457 million, vis-a-vis RM2.382 million recorded in the Third Quarter of the previous financial year.

On the nine-month cumulative basis, group revenue was RM4.075 million compared with RM6.324 million recorded during the same period of the previous financial year. The decline in revenue was predominantly caused by the Bottled Water Division, where the revenue recognition was derived on a “cost plus” basis as the sales were passed through a distributor.

Net loss after tax after minority interests during the quarter reduced by 78% to RM0.728 million, compared to RM3.385 million during the corresponding period last year. The losses were mainly caused by RM0.504 million in depreciation and RM0.860 million in impairment loss on plant and equipment of the Bottled Water division; as well as RM0.271 million in amortisation of intangible asset and leasehold land of the Hospitality Division. Without these non-cash items totalling RM1.635 million, the Group would have achieved profitability during the quarter.

Correspondingly, net loss for the nine-month period ended 31 March 2018 reduced by 48.1% to RM2.975 million, compared with RM5.737 million recorded during the same period last financial year.

B2. FINANCIAL REVIEW FOR CURRENT QUARTER AND IMMEDIATE PRECEDING QUARTER

Variation of results against preceding quarter

RM'000	Current	Immediate	Changes %
	Quarter 31.03.18	Preceding Quarter 31.12.17	
Revenue	1,457	1,504	(3)
Loss before tax	(663)	(1,011)	(34)
Loss after tax	(905)	(1,317)	(31)
Loss attributable to owners of the Company	(728)	(1,346)	(46)

Group revenue during the current quarter decreased by 3.1% to RM1.457 million vis-à-vis RM1.504 million recorded during the preceding quarter. The decline in revenue was mainly due to lower revenue contribution from the Hospitality Division as a result of time lag in IMSB’s billing schedule as the technical consultancy fee is pegged to the progress of the development of Impiana Cherating Hotel & Resort and Impiana Ubud Resort in Bali.

Losses attributable to owners of the Company was lower at RM0.728 million during the current quarter under review. During the October to December 2017 period, the Company recorded a relatively higher loss of RM1.346 million as a result of professional fee payments to various professionals engaged to undertake the proposed corporate exercise.

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B3. CURRENT PROSPECTS

The sustainable revenue and profit contributions from the Hospitality Division has reaffirmed the Board's intention to spearhead new growth opportunities in this area. As the core business of the Group, more efforts will be put in place to further expand the hospitality-related businesses.

Since the Group's foray into the hospitality business in late 2016, as well as entrance of several key personnel into the Group - both at the board and senior management levels – the Group is ready to take on bigger challenges in this segment. The Group has on 12 April 2018 announced a major corporate exercise involving the acquisitions of several hotel assets in Malaysia, as well as hotel management operations in both Malaysia and Asean region. The details of the acquisition are illustrated below under Section B7 – Corporate Proposal.

With this clear vision in sight, the Board believes that it will be prudent to gradually phase out or dispose of the Bottled Water Division, and thus the losses from this division would not affect the overall Group performance. At the same time, management can focus all its resources to develop the Hospitality Division. The management has been tasked to explore this option diligently.

B4. PROFIT FORECAST

There was no profit forecast for the period under review was required.

B5. LOSS BEFORE TAXATION

Loss before taxation have been determined after charging/(crediting) amongst other items the following:-

RM '000	3 months ended		9 months ended	
	31.03.18	31.03.17	31.03.18	31.03.17
Amortisation of intangible assets	257	-	770	-
Amortisation of leasehold land	14	-	43	-
Depreciation of property, plant and equipment	504	464	1,562	1,431
Impairment loss on property, plant and equipment	860	-	860	-
Loss on foreign currency exchange:				
- unrealised	(159)	(18)	(159)	-
- realised	2	8	2	(20)
Gain on disposal of property, plant and equipment	(20)	-	(20)	(460)
Interest income	(4)	(8)	(19)	(21)

Other than the above, the items listed under Appendix 9B Note 16 of the Listing Requirement of Bursa Malaysia Securities Berhad are not applicable.

B6. TAXATION

RM '000	3 months ended		9 months ended	
	31.03.18	31.03.17	31.03.18	31.03.17
Income Tax				
- current period expense	242	106	548	293
	242	106	548	293

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% of the estimated assessable profit for the financial period.

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B7. CORPORATE PROPOSAL

The Company has on 12 April 2018 made an announcement to Bursa Securities Malaysia Bhd on the following proposals:

1. Proposed acquisition of 100.0% equity interest in Impiana Hotels & Resorts Management Sdn Bhd for a purchase consideration of RM70,840,458;
2. Proposed acquisition of 100.0% equity interest in Impiana Pangkor Sdn Bhd for a purchase consideration of RM79,000,664;
3. Proposed acquisition of 100.0% equity interest in Astaka Mekar Sdn Bhd for a purchase consideration of RM15,830,878;
4. Proposed acquisition of the remaining 25.0% equity interest in Intra Magnum Sdn Bhd, the 75%-owned subsidiary of Bio Osmo for a purchase consideration of RM12,674,767;
5. Proposed acquisition of 100.0% equity interest in Impiana Cherating Sdn Bhd for a purchase consideration of RM207,144,359;
6. Proposed acquisition of the business and assets by Intra Magnum which include the ownership of Impiana Hotel Ipoh for a purchase consideration of RM40,408,874; and
7. Proposed private placement of up to 2,000,000,000 new Bio Osmo Shares to independent third parties to be identified at later stage.

The total purchase consideration of items 1 to 6 above of RM425,900,000 shall be satisfied by the allotment and issuance of 4,800,000,000 new Bio Osmo Shares and 3,200,000,000 new ICPS at an issue price of RM0.05 per Share/ICPS, and the cash portion amounting to RM25,900,000.

B8. GROUP BORROWINGS

The Group did not have any borrowings as at the end of the reporting period.

B9. TRADE RECEIVABLES

The Group's normal credit term ranges from 30 to 180 days (2016: 30 to 120 days). Other credit term are assessed and approved on a case to case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

	As at 31.03.18	As at 31.03.17
Neither past due nor impaired	1,614	2,879
1 to 90 days past due but not impaired	969	402
91 to 180 days past due but not impaired	406	-
181 to 365 days past due but not impaired	451	-
	1,826	402
	3,440	3,281

Included in the non-current and current trade receivables are amounts of RM0.586 million and RM2.031 million respectively due from related parties. These amounts are subject to normal trade term.

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(Incorporated in Malaysia)

B10. STATUS OF UTILISATION OF PROCEEDS

The proceeds from the new placement of new ordinary shares of RM 6.146 million (72,305,700 ordinary shares of RM 0.085 each), completed on 6 June 2017, are to be utilised as follows:

Purpose	Proposed utilisation as per announcement dated 29 March 17 <i>RM'000</i>	Actual utilisation as at 31 Mar 18 <i>RM'000</i>	Intended timeframe for utilisation	Balance unutilised <i>RM'000</i>	%
- Working capital	4,286	4,286	Within 24 months	-	-
- Business expansion	1,594	1,274	Within 24 months	320	5.21
- Estimated expenses in relation to proposed private placement	266	266	Within 1 month	-	-
TOTAL	6,146	5,826		320	5.21

B11. MATERIAL LITIGATION

The Group did not have any material litigation as at the end of the reporting period.

B12. DERIVATIVE FINANCIAL INSTRUMENT

The Group did not have any derivative financial instrument as at the end of the reporting period.

B13. OFF BALANCE SHEET FINANCIAL INSTRUMENT

As at the end of the financial period and up to the date of this announcement, there is no off balance sheet financial instrument which has a material impact to the financial statement under review.

B14. DIVIDEND PAYABLE

No interim dividend has been declared for the current financial period to date.

B15. LOSS PER SHARE ("LPS")

	3 months ended		9 months ended	
	31.03.18	31.03.17	31.03.18	31.03.17
Net loss attributable to Owners of the Company (RM '000)	(728)	(3,385)	(2,975)	(5,737)
Weighted average number of ordinary shares in issue ('000)	795,363	723,057	795,363	627,238
Basic LPS (sen)	(0.09)	(0.47)	(0.37)	(0.91)
Diluted LPS (sen)	(0.09)	(0.47)	(0.37)	(0.91)

B16. AUTHORISED FOR ISSUE

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 May 2018.