

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015**

	INDIVIDUAL QUARTER THREE MONTHS ENDED 30 JUNE		CUMULATIVE PERIOD THREE MONTHS ENDED 30 JUNE	
	2015 RM'000 Unaudited	2014 RM'000 Unaudited	2015 RM'000 Unaudited	2014 RM'000 Unaudited
Revenue	74,214	94,037	74,214	94,037
Cost of sales	(54,335)	(70,213)	(54,335)	(70,213)
Gross profit	19,879	23,824	19,879	23,824
Other income	1,512	6,456	1,512	6,456
Other operating expenses	(29,043)	(28,256)	(29,043)	(28,256)
Finance costs	(2,437)	(1,823)	(2,437)	(1,823)
Share of results of associates, net of tax	2,049	1,409	2,049	1,409
(Loss) / Profit before tax	(8,040)	1,610	(8,040)	1,610
Tax expense	(968)	(933)	(968)	(933)
(Loss) / Profit for the financial period	(9,008)	677	(9,008)	677
Other comprehensive (loss) / income, net of tax				
Items that may be reclassified subsequently to profit or loss:				
- Foreign currency translation differences for foreign operations	(951)	759	(951)	759
- Share of foreign currency translation of associates	-	(1)	-	(1)
Other comprehensive (loss) / income for the financial period, net of tax	(951)	758	(951)	758
Total comprehensive (loss) / income for the financial period	(9,959)	1,435	(9,959)	1,435
(Loss) / Profit attributable to:-				
Owners of the Parent	(7,033)	1,086	(7,033)	1,086
Non-controlling interests	(1,975)	(409)	(1,975)	(409)
(Loss) / Profit for the financial period	(9,008)	677	(9,008)	677
Total comprehensive (loss) / income attributable to:-				
Owners of the Parent	(7,984)	1,668	(7,984)	1,668
Non-controlling interests	(1,975)	(233)	(1,975)	(233)
Total comprehensive (loss) / income for the financial period	(9,959)	1,435	(9,959)	1,435
(Loss)/ Earnings per ordinary share (sen)				
-Basic	(1.81)	0.28	(1.81)	0.28
-Diluted	(1.79)	0.26	(1.79)	0.26

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying explanatory notes to the interim financial report and the audited financial statements for the financial year ended 31 March 2015.)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	As at 30.06.2015 RM'000 Unaudited	As at 31.03.2015 RM'000 Audited
ASSETS		
Non-Current Assets		
Property, plant and equipment	21,334	22,076
Investment in associates	89,358	87,011
Other intangible assets	22,648	23,516
Other investments	13,335	14,029
Other receivables	24,202	19,964
Goodwill	80,298	80,298
Deferred tax assets	1,713	1,033
	<u>252,888</u>	<u>247,927</u>
Current Assets		
Other investments	762	1,250
Inventories	35,299	34,980
Trade receivables	93,117	92,952
Other receivables, deposits and prepayments	68,836	78,006
Amount due from associates	460	1,399
Current tax assets	4,100	3,890
Cash and cash equivalents	68,953	75,119
	<u>271,527</u>	<u>287,596</u>
TOTAL ASSETS	<u><u>524,415</u></u>	<u><u>535,523</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share capital	193,843	193,743
Share premium	15,584	15,574
Other reserves	38,724	38,533
Retained earnings	17,620	21,253
	<u>265,771</u>	<u>269,103</u>
Non-controlling interests	31,132	26,746
TOTAL EQUITY	<u>296,903</u>	<u>295,849</u>
Non-Current Liabilities		
Borrowings	23,377	18,810
Provision for post employment benefits	5,159	5,303
Deferred tax liabilities	1,755	1,117
	<u>30,291</u>	<u>25,230</u>
Current Liabilities		
Trade payables	34,764	34,795
Other payables, deposits and accruals	69,664	82,981
Amount due to associates	-	25
Borrowings	91,039	94,883
Current tax payables	1,754	1,760
	<u>197,221</u>	<u>214,444</u>
TOTAL LIABILITIES	<u>227,512</u>	<u>239,674</u>
TOTAL EQUITY AND LIABILITIES	<u><u>524,415</u></u>	<u><u>535,523</u></u>
Net assets per share (RM)	<u>0.69</u>	<u>0.69</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes to the interim financial report and the audited financial statements for the financial year ended 31 March 2015.)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015**

	Attributable to owners of the Parent							Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Non-distributable				Distributable					
Unaudited Three Months Financial Period Ended 30 June 2015	Ordinary shares RM'000	Share premium RM'000	Capital reserve RM'000	Warrant reserve RM'000	Equity compensation reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000			
Balance as at 1 April 2015	193,743	15,574	24,663	11,307	2,813	(251)	21,253	269,102	26,746	295,848
(Loss) / Profit after tax for the financial period	-	-	-	-	-	-	(7,033)	(7,033)	(1,975)	(9,008)
Foreign currency translation for foreign operations	-	-	-	-	-	(951)	-	(951)	-	(951)
Total comprehensive (loss) / income for the financial period	-	-	-	-	-	(951)	(7,033)	(7,984)	(1,975)	(9,959)
Transactions with owners										
Shares issued pursuant to Long Term Incentive Plan ("LTIP")	50	-	-	-	-	-	-	50	-	50
Shares issued pursuant to exercise of Employee Share Option Scheme ("ESOS")	50	10	-	-	-	-	-	60	-	60
Arising from accretion of equity interests in subsidiaries	-	-	-	-	-	-	(1,924)	(1,924)	1,570	(354)
Arising from dilution of equity interests in subsidiaries	-	-	-	-	-	-	5,324	5,324	4,791	10,115
Share-based payment transactions	-	-	-	-	1,143	-	-	1,143	-	1,143
Total transactions with owners	100	10	-	-	1,143	-	3,400	4,653	6,361	11,014
Balance as at 31 March 2015	193,843	15,584	24,663	11,307	3,956	(1,202)	17,620	265,771	31,132	296,903

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015 (continued)**

	Attributable to owners of the Parent						Distributable Retained earnings / (Accumulated losses) RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Non-distributable									
Unaudited <u>Three Months Financial Period 30 June 2014</u>	Ordinary shares RM'000	Share premium RM'000	Capital reserve RM'000	Warrant reserve RM'000	Equity compensation reserve RM'000	Exchange translation reserve RM'000				
Balance as at 1 April 2014										
- as previously stated	193,693	15,574	24,663	11,307	3,008	(328)	9,060	256,977	23,766	280,743
- remeasurement period adjustment	-	-	-	-	-	-	3,097	3,097	-	3,097
- effects of adoption of FRSs	-	-	-	-	-	-	-	-	(575)	(575)
Balance as at 1 April 2014	193,693	15,574	24,663	11,307	3,008	(328)	12,157	260,074	23,191	283,265
Profit after tax for the financial period	-	-	-	-	-	-	1,086	1,086	(409)	677
Foreign currency translation for foreign operations	-	-	-	-	-	583	-	583	176	759
Share of foreign currency translation of associates	-	-	-	-	-	(1)	-	(1)	-	(1)
Total comprehensive profit / (loss) for the financial period	-	-	-	-	-	582	1,086	1,668	(233)	1,435
Transactions with owners										
Shares issued pursuant to Long Term Incentive Plan ("LTIP")	50	30	-	-	-	-	-	80	-	80
Arising from accretion of equity interests in subsidiaries	-	-	-	-	-	-	(258)	(258)	258	-
Arising from dilution of equity interests in subsidiaries	-	-	-	-	-	-	-	-	18	18
Share of other changes in equity of associates	-	-	-	-	-	-	71	71	-	71
	50	30	-	-	-	-	(187)	(107)	276	169
Balance as at 30 June 2014	193,743	15,604	24,663	11,307	3,008	254	13,056	261,635	23,234	284,869

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes to the interim financial report and the audited financial statements for the financial year ended 31 March 2015.)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015**

	THREE MONTHS ENDED 30 JUNE	
	2015	2014
	RM'000	RM'000
	Unaudited	Audited (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before tax	(8,040)	1,610
Adjustment for non-cash items:		
Bad debts written off	41	-
Depreciation and amortisation	1,871	1,760
Dividend income	-	(2)
Equity settled share-based payment transactions	1,253	80
Loss/(Gain) on dilution of equity interest in associates	2	(4,717)
Impairment losses on trade receivables	495	-
Interest expense	2,395	1,744
Interest income	(322)	(299)
Inventories written off	305	262
Net loss/(gain) on fair value adjustments on other investments	694	1,736
Net gain on disposal of other investments	-	(7)
Net gain on disposal of property, plant and equipment	(1)	-
Net unrealised (gain)/loss on foreign currency exchange	(58)	1,085
Property, plant and equipment written off	17	2
Reversal of impairment loss on property, plant and equipment	(27)	(27)
Reversal of impairment loss on trade receivables	(212)	(232)
Share of results of associates	(2,049)	(1,409)
Operating (loss)/profit before working capital changes	<u>(3,636)</u>	<u>1,586</u>
Net changes in assets	4,242	2,373
Net changes in liabilities	(12,781)	(11,043)
Net cash used in generated from operations	<u>(12,175)</u>	<u>(7,084)</u>
Tax paid	(1,465)	(1,112)
Tax refund	197	827
Net cash used in from operating activities	<u>(13,443)</u>	<u>(7,369)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of associates	(300)	(3,557)
Acquisition of non-controlling interests	(354)	-
Addition of software development	(184)	-
Disposal of interest in subsidiaries	3,215	-
Interest received	322	226
Dividend received	-	2
Placement of fixed deposits pledged	(322)	(1,119)
Proceeds from disposal of other investments	495	3,173
Proceeds from disposal of property, plant and equipment	7	-
Purchase of other investments	(6)	(202)
Purchase of property, plant and equipment	(88)	(542)
Net cash from/(used in) investing activities	<u>2,785</u>	<u>(2,019)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown of borrowings	3,388	1,570
Ordinary share capital contributed by non-controlling interests of a subsidiary	6,900	17
Proceeds from shares issued pursuant to the Rights Issue with Warrants	-	-
Net proceeds from shares issued pursuant to Section 132D of Companies Act, 1965	-	-
Interest paid	(2,395)	(1,744)
Dividends paid to non-controlling interests of a subsidiary	-	-
Net cash from/(used in) financing activities	<u>7,893</u>	<u>(157)</u>
Net decrease in cash and cash equivalents	(2,765)	(9,545)
Cash and cash equivalents at 1 April 2015/2014*	39,437	37,397
Effect of foreign exchange on opening balance	(1,057)	589
Cash and cash equivalents at 30 June 2015/2014*	<u>35,615</u>	<u>28,441</u>

* Cash and cash equivalents at the beginning and end of the financial period are net of deposits pledged to banks.

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes to the interim financial report and the audited financial statements for the financial year ended 31 March 2015.)

**Notes to the Interim Financial Report
For the First Quarter Ended 30 June 2015**

1 Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard ("FRS") 134, *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 March 2015. The explanatory notes attached to the interim financial 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 previous financial year ended 31 March 2015.

2 Significant Accounting Policies

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 March 2015, except for the adoption of the following FRSs and Amendments to FRSs during the current financial period: -

	Effective for financial periods beginning <u>on or after</u>
Amendments to FRS 119 (2011) Defined Benefit Plans: Employee Contributions	1 July 2014
Annual Improvements to FRSs 2010 - 2012 Cycle	1 July 2014
Annual Improvements to FRSs 2011 - 2013 Cycle	1 July 2014

The adoption of the above standards that are applicable from the financial period beginning on 1 April 2015 is not expected to result in any material impact on the financial position and results of the Group.

As stated in our audited financial statements for the financial year ended 31 March 2015, the Group has yet to adopt the Malaysian Financial Reporting Standards ("MFRS") framework, and has elected to be a transitioning entity which will only adopt the MFRS framework for the financial year ending 31 March 2018.

3 Qualification of independent auditors' report on preceding annual audited financial statements

The independent auditors' report on the annual audited financial statements for the financial year ended 31 March 2015 was not qualified.

4 Seasonal and cyclical factors

The business of the Group was not affected by any significant seasonal and cyclical factors during the current financial period under review.

5 Unusual items due to their nature, size or incidence

Saved as disclosed in note 2 and note 6 of this report, there were no unusual items affecting the assets, liabilities, equity, net income, or cash flows due to their nature, size, or incidence during the current financial period under review.

6 Material changes in estimates

There were no material changes in estimates of amounts reported in prior financial years. Thus, there is no material effect in the financial statements of the current financial period under review.

**Notes to the Interim Financial Report
For the First Quarter Ended 30 June 2015**

7 Debt and equity securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial period under review except for the following:-

- (i) Allotment of 100,000 new ordinary shares of RM0.50 each pursuant to the exercise of Employee Share Grant Plan ("ESGP"); and
- (ii) Issuance of 100,000 new ordinary shares of RM0.50 each pursuant to the exercise of Employee Share Option Scheme ("ESOS") at RM0.50 per share. The total cash proceeds arising from the exercise of ESOS during the current financial period amounted to RM50,000.

8 Dividends paid

No dividends have been paid during the current financial period under review.

9 Segmental reporting

The Group's reportable segments were identified as follows: -

- Business Performance Services - Provision of business performance improvement related services
- Trading & Distribution Services - Distribution and reselling of hardware and software and related services
- Digital & Infrastructure Services - Provision of a comprehensive range of tele/data communication, networking solutions and related services

Other operating segments that do not constitute reportable segments comprise operations related to property development and investment holding.

Business Segments	Business Performance Services RM'000	Trading & Distribution Services RM'000	Digital & Infrastructure Services RM'000	Others RM'000	Eliminations RM'000	Total RM'000
<u>Three Months Financial Period Ended 30 June 2015</u>						
External sales	43,182	27,261	3,693	78	-	74,214
Inter segment sales	6,536	326	2,812	324	(9,998)	-
Total Sales	<u>49,718</u>	<u>27,587</u>	<u>6,505</u>	<u>402</u>	<u>(9,998)</u>	<u>74,214</u>
Segment results	(1,974)	(371)	(1,363)	(3,611)	(698)	(8,017)
Share of results of associates	-	-	-	2,049	-	2,049
Interest expense	(701)	(86)	(103)	(1,505)	-	(2,395)
Interest Income	184	68	33	38	-	323
Loss before taxation	<u>(2,491)</u>	<u>(389)</u>	<u>(1,433)</u>	<u>(3,029)</u>	<u>(698)</u>	<u>(8,040)</u>
Segment assets	<u>356,654</u>	<u>80,234</u>	<u>87,095</u>	<u>309,849</u>	<u>(309,417)</u>	<u>524,415</u>
<u>Three Months Financial Period 30 June 2014</u>						
External sales	50,933	32,798	10,063	243	-	94,037
Inter segment sales	3,347	9,042	74	722	(13,185)	-
Total Sales	<u>54,280</u>	<u>41,840</u>	<u>10,137</u>	<u>965</u>	<u>(13,185)</u>	<u>94,037</u>
Segment results	1,098	419	(656)	(425)	1,210	1,646
Share of results of associates	-	-	-	1,409	-	1,409
Interest expense	(351)	(106)	(80)	(1,244)	37	(1,744)
Interest Income	208	84	27	17	(37)	299
Profit / (Loss) before taxation	<u>955</u>	<u>397</u>	<u>(709)</u>	<u>(243)</u>	<u>1,210</u>	<u>1,610</u>
Segment assets	<u>242,514</u>	<u>80,212</u>	<u>87,806</u>	<u>260,300</u>	<u>(193,417)</u>	<u>477,415</u>

10 Carrying amount of revalued assets

There were no changes to the valuation of property, plant and equipment during the current financial period under review.

**Notes to the Interim Financial Report
For the First Quarter Ended 30 June 2015**

11 Changes in the composition of the group

Subsidiary

- (i) During the current period review, Omesti Holdings Berhad ("OHB"), a wholly-owned subsidiary of the Company, disposed off a total of 5 million ordinary shares of RM0.10 each in Diversified Gateway Solutions Berhad ("DGSB"), a 53.0% owned subsidiary of OHB, representing 0.4% of the total issued and paid-up share capital of DGSB in the open market for a total cash consideration of RM575,000, at RM0.115 per DGSB share. Following the disposals, OHB now holds 52.6% equity interest in DGSB.
- (ii) During the current period review, OHB disposed off a total of 2 million ordinary shares of RM1.00 each in Microlink Solutions Berhad ("MLSB"), a 80.3% owned subsidiary of OHB, representing 1.3% of the total issued and paid-up share capital of MLSB in the open market for a total cash consideration of RM2,640,000, at an average of RM1.32 per MLSB share. Following the disposals, OHB now holds 79.0% equity interest in MLSB.
- (iii) MLSB had on 20 May 2015, entered into a Share Sale Agreement with Iteration Partners Pty Ltd ("IPPL") for the acquisition from IPPL of the remaining 40,000 ordinary shares of RM1.00 each, representing 40% of the issued and paid up share capital of Microlink Innovation Sdn Bhd ("MISB"), a 60% owned subsidiary of MLSB, for a total cash consideration of RM300,451 only. Following its completion, MISB became a wholly owned subsidiary of MLSB. The acquisition would enable MLSB to have full control over the equity and strategic directions of MISB.

Associates

- (i) Following the conversion by the other ICPS and RCPS's holders of Ho Hup during the current financial period, OHB's equity interest in Ho Hup has been decreased from 14.95% to 14.90%.

Saved as disclosed above, there were no other changes in the composition of the Group during the current financial period under review.

12 Subsequent events

In August 2015, OHB acquired a total of 601,300 ordinary shares of RM0.50 each in Ho Hup Construction Company Berhad ("Ho Hup") for a total cash consideration of RM509,841. Following these acquisitions and conversion by the Company and other ICPS and RCPS's holders of Ho Hup, OHB's equity interest in Ho Hup has been increased from 14.90% to 15.08%.

Saved as disclosed above, there were no material events announced subsequent to the end of the current financial year under review up to the date of this

13 Changes in contingent liabilities or contingent assets

Corporate Guarantee granted by the following Company during the current financial year under review is as follows:-

	RM'000
Omesti	
- to leasing party for leasing facilities to subsidiaries	<u>16,240</u>

14 Capital commitments

There were no capital commitments during the current financial year under review.

**Additional information required by Bursa Securities Listing Requirements
For the First Quarter Ended 30 June 2015**

1 Detailed analysis of performance

The Group's revenue decreased in the current quarter under review by RM19.82 million compared to the corresponding period of the immediate preceding year.

The detailed breakdown of revenue by business segments of the Group is as follows: -

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	THREE MONTHS ENDED 30 JUNE			THREE MONTHS ENDED 30 JUNE		
	2015	2014	Variance	2015	2014	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
Business Performance Services	49,718	54,280	(8.4)	49,718	54,280	(8.4)
Trading & Distribution Services	27,587	41,840	(34.1)	27,587	41,840	(34.1)
Digital & Infrastructure Services	6,505	10,137	(35.8)	6,505	10,137	(35.8)
Others	402	965	(58.3)	402	965	(58.3)
	<u>84,212</u>	<u>107,222</u>	<u>(21.5)</u>	<u>84,212</u>	<u>107,222</u>	<u>(21.5)</u>
Less : Inter Segment Revenue	(9,998)	(13,185)		(9,998)	(13,185)	
Total Group Revenue	<u>74,214</u>	<u>94,037</u>	<u>(21.1)</u>	<u>74,214</u>	<u>94,037</u>	<u>(21.1)</u>

All segments recorded lower revenue during the quarter under review compared to the corresponding quarter of the immediate preceding year due to lower orders fulfillment.

The detailed breakdown of (loss)/profit before tax by business segments of the Group is as follows: -

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	THREE MONTHS ENDED 30 JUNE			THREE MONTHS ENDED 30 JUNE		
	2015	2014	Variance	2015	2014	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
Business Performance Services	(2,491)	955	NA	(2,491)	955	NA
Trading & Distribution Services	(389)	397	NA	(389)	397	NA
Digital & Infrastructure Services	(1,433)	(709)	(102.1)	(1,433)	(709)	(102.1)
Others	(3,029)	(243)	(1,146.5)	(3,029)	(243)	(1,146.5)
	<u>(7,342)</u>	<u>400</u>		<u>(7,342)</u>	<u>400</u>	
Less : Elimination	(698)	1,210		(698)	1,210	
(Loss) ("LBT")/Profit before tax ("PBT")	<u>(8,040)</u>	<u>1,610</u>	<u>NA</u>	<u>(8,040)</u>	<u>1,610</u>	<u>NA</u>

Despite a marginally improved gross margin, the Group recorded a LBT of RM8.04 million in the current quarter under review against a PBT of RM1.61 million in the corresponding quarter of the previous financial year due to lower revenue achieved. Additionally, there were costs accounted for the offering of ESOS to eligible employees (RM1.15 million), fair value loss on other investments (RM0.69 million) and costs associated with the new businesses compared to the corresponding quarter of the previous financial year which included a gain on dilution of equity interest in an associate of RM4.72 million.

2 Variation of results against preceding quarter

	3 months ended 30.06.2015 RM'000	3 months ended 31.03.2015 RM'000	Variance %
Revenue	<u>74,214</u>	<u>100,852</u>	(26.4)
(Loss) / Profit before tax	<u>(8,040)</u>	<u>5,705</u>	NA

The Group recorded a loss before tax of RM8.04 million for the current quarter under review compared to a profit before tax of RM5.71 million in the immediate preceding quarter. The gains on dilution of equity interest in an associate amounting to RM3.34 million and fair value adjustments on other investments of RM0.95 million contributed to the improvement to PBT in the previous preceding quarter.

**Additional information required by Bursa Securities Listing Requirements
For the First Quarter Ended 30 June 2015**

3 Business prospects

The Board is cautious of the Group's financial performance for the current financial year in view of the uncertain economic conditions while new businesses continue to be nurtured.

4 Profit forecast

Not applicable.

5 Income tax expense

	THREE MONTHS ENDED 30 JUNE		THREE MONTHS ENDED 30 JUNE	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Current tax expense				
- Malaysian taxation	793	857	793	857
Under provision in prior period				
- Foreign taxation	224	-	224	-
	<u>1,017</u>	<u>857</u>	<u>1,017</u>	<u>857</u>
Deferred taxation				
- origination and reversal of temporary differences				
- Malaysian taxation	(49)	76	(49)	76
	<u>968</u>	<u>933</u>	<u>968</u>	<u>933</u>

The Group's effective tax rate for the current quarter and period under review is higher than the statutory tax rate as profits of certain subsidiaries cannot be set-off against losses of other subsidiaries for tax purposes as these subsidiaries are not able to satisfy the conditions for group relief and certain expenses were disallowed for tax deductions.

6 Status of corporate proposals

On 10 June 2015, the Board of Directors ("Board") had announced a proposed distribution of up to 5,978,436 ordinary shares of RM0.10 each in Microlink Solutions Berhad ("Distribution Shares") by Omesti Holdings Berhad (formerly known as Formis Holdings Berhad) to the Company and thereafter to the entitled shareholders of the Company by way of Dividend-In-Specie on the basis of one (1) Distribution Share for every hundred (100) ordinary shares of RM0.50 each ("Omesti Shares") held in the Company ("Proposed Distribution"). With the issuance and allotment of new Omesti Shares subsequent to the announcement, the number of Distribution Shares have since been increased to 5,979,936 Distribution Shares.

The shareholders had approved the Proposed Distribution at the Extraordinary General Meeting held on 19 August 2015.

On 24 August 2015, the Board determined and announced the entitlement date on 9 September 2015 on which the names of the shareholders of the Company must appear in the Record of Depositors as at 5.00 p.m. in order to be entitled to the Distribution Shares ("Entitlement Date").

In determining shareholders' entitlements under the Dividend-In-Specie, fractional entitlements of Distribution Shares that may arise from the Dividend-In-Specie, if any, will be disregarded and shall be dealt with by the Board in such manner as it deems fit, expedient and in the interest of the Company.

Subject to the approval of Bursa Malaysia Depository Sdn Bhd for the transfer of Distribution Shares under the Dividend-In-Specie by bulk transfer method, the Distribution Shares to be distributed under the Dividend-In-Specie will be credited into the entitled shareholders' central depository (CDS) accounts.

Barring any unforeseen circumstances, the Company intends to distribute the Distribution Shares pursuant to the terms of the Dividend-In-Specie within thirty (30) days from the Entitlement Date.

Saved as disclosed above, there were no other corporate proposals announced or outstanding as at the date of this report.

7 Borrowings and debts securities

The Group's bank borrowings as at 30 June 2015 are as follows:

	RM'000
Short term bank borrowings - secured	
- Denominated in RM	88,269
- Denominated in Thai Baht	2,770
Long term bank borrowings - secured	
- Denominated in RM	23,322
- Denominated in Thai Baht	55
Total borrowings	<u>114,416</u>

All borrowings are denominated in Ringgit Malaysia.

**Additional information required by Bursa Securities Listing Requirements
For the First Quarter Ended 30 June 2015**

8 Realised and Unrealised Profits or Losses

The breakdown of retained earnings of the Group as at the reporting date, into realised and unrealised profits or losses, pursuant to the directive issued by Bursa Securities on 25 March 2010 and 20 December 2010, is as follows:

	30.06.2015 RM'000	31.03.2015 RM'000
Total retained earnings of the Group: -		
- Realised	54,719	60,281
- Unrealised	8,176	8,487
	<u>62,895</u>	<u>68,768</u>
Less: Consolidation adjustments	(45,275)	(47,515)
Total Group retained earnings as per consolidated financial statements	<u>17,620</u>	<u>21,253</u>

The determination of realised and unrealised profits or losses is based on the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits or losses above, is solely compliance with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

9 Changes in material litigation

Please refer to the Summary of Material Litigation attached for further details.

10 Dividends

Other than the Dividend-In-Specie as per note 6 – Additional Information above, no dividend has been proposed by the Board of Directors for the financial period ended 30 June 2015.

11 (Loss) / Earnings per ordinary share

(a) Basic (loss) / earnings per ordinary share

Basic (loss) / earnings per ordinary share for the quarter and financial period under review is calculated based on the Group's (loss) / profit after tax and non-controlling interests divided by the weighted average ("WA") number of ordinary shares in issue during the period.

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	THREE MONTHS ENDED 30 JUNE		THREE MONTHS ENDED 30 JUNE	
	2015	2014	2015	2014
(Loss) / Profit after tax and non-controlling interests (RM'000)	(7,033)	1,086	(7,033)	1,086
Number of shares in issue as at beginning of the year ('000)	387,485	387,385	387,485	387,385
Effect of issuance of Rights Shares ('000)	-	-	-	-
Effect of Private Placement of Shares ('000)	-	-	-	-
Effect of issuance of LTIP ('000)	114	100	114	100
WA number of ordinary shares in issue ('000)	<u>387,599</u>	<u>387,485</u>	<u>387,599</u>	<u>387,485</u>
Basic (loss) / earnings per ordinary share (sen)	<u>(1.81)</u>	<u>0.28</u>	<u>(1.81)</u>	<u>0.28</u>

**Additional information required by Bursa Securities Listing Requirements
For the First Quarter Ended 30 June 2015**

11 (Loss) / Earnings per ordinary share (continued)

(b) Fully diluted (loss) / earnings per ordinary share

Diluted (loss) / earnings per share for the quarter and financial year under review was calculated based on the Group's (loss) / profit after tax and non-controlling interests divided by the weighted average number of ordinary shares outstanding during the period adjusted for the effects of dilutive potential ordinary shares. The Group's dilutive potential ordinary shares are its Warrants 2013/2018 outstanding. Warrants 2011/2016 and Employee Share Option Scheme ("ESOS") granted to its employee were not included in the calculation of the diluted EPS because they are anti-dilutive for the financial period. The adjusted weighted average number of ordinary shares in issue and issuable had been arrived at based on the assumption that Warrants 2013/2018 and ESOS are exercised at the beginning of the financial period.

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	THREE MONTHS ENDED 30		THREE MONTHS ENDED 30	
	JUNE		JUNE	
	2015	2014	2015	2014
(Loss) / Profit after tax and non-controlling interests (RM'000)	(7,033)	1,086	(7,033)	1,086
WA number of ordinary shares in issue ('000)	387,599	387,485	387,599	387,485
Effect of dilution : Warrants 2013/2018 ('000)	4,731	26,583	4,731	26,583
Effect of dilution : Employee Share Option Scheme ("ESOS")('000)	593	466	593	466
Adjusted weighted average number of ordinary shares applicable to diluted earnings per share ('000)	392,923	414,534	392,923	414,534
Diluted (loss) / earnings per ordinary share (sen)	(1.79)	0.26	(1.79)	0.26

12 (Loss) / Profit before tax

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	THREE MONTHS ENDED 30		THREE MONTHS ENDED 30	
	JUNE		JUNE	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
(Loss) / Profit before tax is arrived at after charging: -				
Bad debts written off	41	-	41	-
Depreciation and amortisation	1,871	1,760	1,871	1,760
Equity settled share-based payment transactions	1,253	80	1,253	80
Impairment losses on:				
- trade receivables	495	-	495	-
Interest expenses	2,395	1,744	2,395	1,744
Inventories written off	305	262	305	262
Loss on disposal of:				
- other investments	-	65	-	65
Net loss on fair value adjustment on other investments	694	1,736	694	1,736
Property, plant and equipment written off	17	2	17	2
Realised loss on foreign currency transactions	405	24	405	24
Unrealised loss on foreign currency translation	752	1,227	752	1,227
And crediting: -				
Dividend income	-	2	-	2
Gain on disposal of :				
- property, plant and equipment	9	10	9	10
Gain on dilution of equity interest in associates	(2)	4,717	(2)	4,717
Interest income	322	299	322	299
Reversal of impairment losses on:				
- property, plant and equipment	27	27	27	27
- trade receivables	212	232	212	232
Realised gain on foreign currency transactions	40	39	40	39
Share of profits of associates	2,049	1,409	2,049	1,409
Unrealised gain on foreign currency translation	810	98	810	98

SUMMARY OF STATUS OF MATERIAL LITIGATIONS AS AT 27 AUGUST 2015

A. MATERIAL LITIGATION AGAINST THE GROUP

No.	Parties to the Suit	Case / Summons No.	Court	Latest Status
1	Risk Management and Safety Systems Pty Ltd ("RMSS") vs. 1. Omesti Berhad (formerly known as Formis Resources Berhad) ("Omesti"); 2. Chan Ngow; 3. Tan Sri Megat Najmuddin bin Datuk Seri Dr Haji Megat Khas; 4. Dato' Mah Siew Kwok; 5. Datuk Rahim bin Baba; 6. Dato' Hairuddin bin Mohamed; 7. Ahmad bin Khalid; 8. Dato' Thong Kok Khee; 9. Dato' Gan Nyap Liou @ Gan Nyap Liow; 10. Au Yong Kam Weng; 11. Mah Xian-Zhen; 12. Formis Bass Software Sdn Bhd; and 13. Bioserasi Sdn Bhd ("the Defendants"). (collectively, "the Defendants")	Civil Suit No. 22NCVC-439-04/2012 Court of Appeal Civil Appeal No. W-02(NCVC)(W)-1337-08/2014 Omesti & 8 Others vs. RMSS & 4 Others	Kuala Lumpur High Court	The appeal hearing date fixed on 14 July 2015 was vacated and the new hearing date for the appeal is on 13 October 2015.