

THETA EDGE BERHAD (260002-W)
(Incorporated in Malaysia)

QUARTERLY REPORT

SUMMARY OF KEY FINANCIAL INFORMATION FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2015

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 30/6/2015 RM'000	Preceding Year Corresponding Quarter Ended 30/6/2014 RM'000	Current Year To Date Ended 30/6/2015 RM'000	Preceding Year Corresponding Period Ended 30/6/2014 RM'000
1. Revenue	27,712	24,205	63,656	37,128
2. Gross Profit	1,361	1,279	2,671	1,548
3. Loss before taxation	(3,558)	(2,518)	(5,737)	(5,346)
4. Loss after taxation	(3,558)	(2,518)	(5,737)	(5,346)
5. Loss for the period	(3,558)	(2,518)	(5,737)	(5,346)
6. Loss attributable to owners of the Company	(3,558)	(2,518)	(5,737)	(5,346)
7. Basic Loss per share (sen)	(3.32)	(2.35)	(5.35)	(4.99)
8. Proposed/Declared dividend per share (sen)	-	-	-	-
			As At End Of Current Quarter	As At Preceding Financial Year End
8. Net assets per share attributable to owners of the Company (RM)			0.54	0.60

Additional Information

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 30/6/2015 RM'000	Preceding Year Corresponding Quarter Ended 30/6/2014 RM'000	Current Year To Date Ended 30/6/2015 RM'000	Preceding Year Corresponding Period Ended 30/6/2014 RM'000
1. Gross income from short term investments	77	103	166	194
2. Gross borrowing costs	(126)	(107)	(143)	(123)

THETA EDGE BERHAD (260002-W)
(Incorporated in Malaysia)

QUARTERLY REPORT

**UNAUDITED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 30/6/2015 RM'000	Preceding Year Corresponding Quarter Ended 30/6/2014 RM'000	Current Year Period Ended 30/6/2015 RM'000	Preceding Year Corresponding Period Ended 30/6/2014 RM'000
Revenue	27,712	24,205	63,656	37,128
Cost of sales	(26,351)	(22,926)	(60,985)	(35,580)
Gross Profit	<u>1,361</u>	<u>1,279</u>	<u>2,671</u>	<u>1,548</u>
Other operating income	1	1	6	6
Operating expenses	<u>(3,318)</u>	<u>(2,918)</u>	<u>(6,008)</u>	<u>(5,430)</u>
Loss from operations	(1,956)	(1,638)	(3,331)	(3,876)
Income from short term investments	77	103	166	194
Depreciation & Amortisation	(1,397)	(669)	(2,107)	(1,215)
Allowances and non cash expenses	-	4	-	4
Borrowing costs	(126)	(107)	(143)	(123)
Share of loss of equity-accounted investees	<u>(156)</u>	<u>(211)</u>	<u>(322)</u>	<u>(330)</u>
Loss before taxation	(3,558)	(2,518)	(5,737)	(5,346)
Taxation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Loss for the period	<u>(3,558)</u>	<u>(2,518)</u>	<u>(5,737)</u>	<u>(5,346)</u>
Other comprehensive Loss, net of taxation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive Loss for the period	<u>(3,558)</u>	<u>(2,518)</u>	<u>(5,737)</u>	<u>(5,346)</u>
Loss attributable to :				
Owners of the Company	(3,558)	(2,518)	(5,737)	(5,346)
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Loss for the period	<u>(3,558)</u>	<u>(2,518)</u>	<u>(5,737)</u>	<u>(5,346)</u>
Total comprehensive Loss attributable to:				
Owners of the Company	(3,558)	(2,518)	(5,737)	(5,346)
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive Loss for the period	<u>(3,558)</u>	<u>(2,518)</u>	<u>(5,737)</u>	<u>(5,346)</u>
Loss per ordinary share (sen)				
Basic	(3.32)	(2.35)	(5.35)	(4.99)
Diluted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The unaudited condensed Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2014

THETA EDGE BERHAD (26002-W)
(Incorporated in Malaysia)

QUARTERLY REPORT

**UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	Unaudited As At 30/6/2015 RM'000	Audited As At 31/12/2014 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	13,742	4,216
Investment in jointly-controlled entity	353	675
Goodwill on consolidation	657	657
Intangible assets	3,455	3,524
Deferred income tax assets	3,902	3,902
	22,109	12,974
Current assets		
Inventories	13,317	18,191
Receivables	36,135	32,217
Deposits, cash and bank balances	11,251	19,056
	60,703	69,464
Total assets	82,812	82,438
EQUITY		
Capital and reserves attributable to the Company's equity holders		
Share capital	107,241	107,241
Reserves	(48,827)	(43,090)
Shareholder's fund / Total equity	58,414	64,151
LIABILITIES		
Current liabilities		
Payables	13,548	14,080
Hire Purchase	3,899	91
Bank borrowings	1,000	4,000
	18,447	18,171
Non Current liabilities		
Hire Purchase	5,951	116
	5,951	116
Total liabilities	24,398	18,287
Total equity and liabilities	82,812	82,438

The unaudited condensed Statements of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2014

THETA EDGE BERHAD (260002-W)
(Incorporated in Malaysia)

QUARTERLY REPORT

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

	<u>Non-distributable</u>		<u>Distributable</u>	
	Share Capital RM'000	Other Reserves RM'000	Reserves Attributable To Revenue RM'000	Total Equity RM'000
<u>3 months ended 30 June 2014</u>				
At 1 January 2014 (audited)	107,241	1,897	(37,857)	71,281
Comprehensive loss for the financial period	-	-	(5,346)	(5,346)
At 30 June 2014 (Unaudited)	<u>107,241</u>	<u>1,897</u>	<u>(43,203)</u>	<u>65,935</u>
<u>3 months ended 30 June 2015</u>				
At 1 January 2015 (audited)	107,241	1,897	(44,987)	64,151
Comprehensive loss for the financial period	-	-	(5,737)	(5,737)
At 30 June 2015 (Unaudited)	<u>107,241</u>	<u>1,897</u>	<u>(50,724)</u>	<u>58,414</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2014

THETA EDGE BERHAD (260002-W)
(Incorporated in Malaysia)

QUARTERLY REPORT

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

	Unaudited 30/6/2015 RM'000	Audited 31/12/2014 RM'000
Cash flow used in operating activities		
Net loss before taxation	(5,737)	(7,120)
Adjustments for:		
Depreciation & Amortisation of PPE	2,107	2,718
Borrowing costs	143	355
Income from Short term investments	(166)	(309)
Gain on disposal of property, plant and equipment	-	(24)
Deferred expenditure written off	69	518
Fair value movement	-	(261)
Allowances and other non cash items	-	642
Share of loss of equity-accounted investees	322	593
	(3,262)	(2,888)
Operating loss before working capital changes		
Movements in working capital		
Inventories	4,874	(567)
Receivables	(4,402)	(1,491)
Payables	(48)	2,008
Cash flow used in operations	(2,838)	(2,938)
Taxation paid	-	(16)
Taxation refund	-	11
Borrowing costs paid	(143)	(355)
Income from Short term investments received	166	309
	(2,815)	(2,989)
Net cash flow used in operating activities		
Cash flow used in investing activities		
Acquisition of property, plant & equipment	(11,633)	(2,043)
Proceeds from disposal of property, plant & equipment	-	699
	(11,633)	(1,344)
Cash flow from financing activities		
Bank borrowings	(3,000)	1,289
Hire purchase	9,643	(91)
	6,643	1,198
Net movement in cash and cash equivalents	(7,805)	(3,135)
Cash and cash equivalents at beginning of financial period	19,056	22,191
Cash and cash equivalents at end of financial period	11,251	19,056
Cash and cash equivalents consist of:		
Cash & bank balances	4,620	4,259
Deposits	6,631	14,797
	11,251	19,056

Included in the cash and cash equivalents is RM3.7 million which is placed in the short term deposit as security for Bank Guarantees issued.

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2014

THETA EDGE BERHAD (26002-W)
(Incorporated in Malaysia)

QUARTERLY REPORT

(A) Notes to the Condensed Consolidated Interim Financial Statements

A.1 Basis of preparation and significant accounting policies

This interim financial report is based on the unaudited financial statements for the year ended 30 June 2015 and has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and MFRS134, *Interim Financial Reporting* in Malaysia. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2014.

For the periods up to and including the year ended 31 December 2014, the Group prepared its financial statement in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS")

The adoption of the MFRSs and Amendments do not have any material impact on the financial statements of the Group and of the Company.

A.2 Report On The Financial Statements

The auditors' report on the financial statement for the financial year ended 31 December 2014 was not qualified.

A.3 Seasonality and cyclicity of operations

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

A.4 Unusual items

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the current quarter under review and financial year to date.

A.5 Changes in estimates

There were no changes in estimates of amounts reported in prior financial years, which have a material effect in the current quarter under review and financial year to date.

A.6 Debt and equity securities

The Group was not involved in any issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial year to date.

A.7 Dividends

No dividends have been declared and paid during the current quarter under review and financial year to date.

A.8 Segmental reporting

Segmental reporting for the financial year to date is as follows:

Group Financial year ended 30 June 2015	Information & Communication Technology RM '000	Investment Holding And Others RM '000	Total RM '000
<u>Revenue</u>			
Total Revenue	63,656	-	63,656
<u>Results</u>			
Loss from operations before depreciation & borrowing costs	(712)	(2,550)	(3,262)
Depreciation	(2,072)	(35)	(2,107)
Non-Cash item	(69)	-	(69)
Loss from operations	<u>(2,853)</u>	<u>(2,585)</u>	<u>(5,438)</u>
Income from short term borrowings, net			23
Share of loss of equity-accounted investees			<u>(322)</u>
Loss before taxation			<u>(5,737)</u>
Taxation			-
Net loss for the period			<u>(5,737)</u>
<u>Other information</u>			
Total asset	79,183	3,629	82,812

Analysis by geographical segments has not been presented as the operations of the Group are in Malaysia.

A.9 Valuation of property, plant and equipment

The valuations of all property, plant and equipment have been brought forward without amendment from the previous financial statements ended 31 December 2014.

A.10 Subsequent events

There were no material events subsequent to the end of the current quarter.

A.11 Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year ended 30 June 2015.

A.12 Changes in contingent liabilities and contingent assets

(A) There were no contingent assets for the current financial year to date.

(B) The changes in the Group's contingent liabilities are as follows:

- (a) Bank guarantees issued to mainly trade customers increased from RM 7,612,740 to RM9,774,135 for the quarter.

A.13 Material Litigation

(A) Inforntial Sdn Bhd ("ISB") v. Theta Edge Berhad ("Theta") & 4 ors

On 17 May 2012, a Writ of Summons and Statement of Claim was served on the Defendant and four (4) others by the Plaintiff to claim the following:-

- (i) A declaration that the 1st, 2nd, 3rd, 4th and 5th defendants or any of them have together conspired to act fraudulently against the Plaintiff to deprive the Plaintiff from recovering on its judgment against Lityan Systems Sdn. Bhd. ("LSSB") obtained in Kuala Lumpur High Court Suit No S1-22-1665-2004;
- (ii) A declaration that the 1st, 2nd, 3rd, 4th and 5th defendants or any of them have breached Section 257 of the Companies Act, 1965;
- (iii) Damages in the sum of RM2,105,585.23 outstanding as at 3 May 2012;
- (iv) Aggravated and/or exemplary damages;
- (v) Interest at the rate of 4% per annum on any judgment sum from the date this Writ of Summons is filed until full settlement;
- (vi) Costs;
- (vii) Such further and other relief as the Honourable Court deems fit.

The Court had on 23 January 2013 dismissed the Defendants' Application to strike out the civil suit with cost awarded to the Plaintiff in the sum of RM5,000.00 only. The trial commenced on 19 August 2013 and concluded on 10 July 2014. The Defendant had filed their written submission to the Court on 20 October 2014 and the Plaintiff had filed their written submission to the Court on 23 October 2014

On the 27th of April 2015, the High Court Judge, had delivered her judgment in the aforementioned case as follows :-

- (i) Plaintiff's claim against 1st Defendant is allowed with interest running at 4% per annum from the date of judgment until full settlement;
- (ii) Plaintiff's claim against the 2nd, 3rd, 4th and 5th Defendants is dismissed;
- (iii) 1st Defendant to pay RM15,000-00 as cost to the Plaintiff.

The Company is unable to discern the full effect of the aforementioned judgement since the Honourable High Court Judge had only delivered the judgement without citing the grounds in arriving with the decision.

The Company filed a Notice of Appeal against the said judgement on 6 May 2015 and the Record of Appeal was filed on 29 June 2015. However, the hearing date of the appeal is yet to be fixed by the Court of Appeal and still awaiting for the grounds of Judgment of the High Court Judge.

In this case, the Plaintiff also filed an appeal on 25 May 2015 against the decision of the High Court Judge made on 27 April 2015 in dismissing its claim against the 2nd and the 5th Defendant.

In the mean time, 1st Defendant had filed an application for stay of Judgment, which on 3rd July 2015, the Learned High Court Judge had allowed the stay application. A notice of motion was filed by the 1st Defendant to amend the Notice of Appeal filed earlier as there was an error on the information reflected in the Notice of Appeal, i.e the Appellant is only appealing against part of the decision and not the whole decision of the High Court Judge. The hearing of the said notice of motion is fixed on 17th September 2015 before the Court of Appeal.

(B) Impianas Sdn Bhd v Tenaga Nasional Berhad

On 25 September 2014 the sealed copy of the Writ of Summon has been served by Theta Edge Berhad's wholly-owned subsidiary, Impianas Sdn Bhd ("ISB") on Tenaga Nasional Berhad ("TNB) to claim the following:-

- (i) The payment of a sum of RM11,391,357.08;
- (ii) Interest at the rate of 8% per annum calculated on daily basis on the sum of RM11,391,357.08 starting from 7th November 2008 until the date of full settlement;
- (iii) the sum of RM2.550 million;
- (iv) General damages to be assessed by this Honourable Court and paid forthwith by TNB to ISB;
- (v) Exemplary damages to be assessed by this Honourable Court and paid immediately by TNB;
- (vi) Interest at the rate of 4% per annum on any judgment sum from the date of the Writ of Summons is filed until full settlement;
- (vii) Costs;
- (viii) Such further and other relief as the Honourable Court deems fit.

The Writ of Summon is filed following the breach by TNB of an Agreement dated 22 May 2007 executed between ISB and TNB for the Supply of Remote Meter Reading (RMR) System Low Voltage for Large Power Consumers amounting to RM57.44 million. On 7 November 2008, TNB has unilaterally and without reasonable ground, suspended the project for non-satisfactory performance, solely alleging that the RMR boxes which have been installed by ISB were defective.

ISB had taken every effort to remedy the situation including taking additional initiatives and costs to assist in areas out of its scope on factors which were also contributing to the performance, as required by TNB. Due to the actions of TNB, ISB has suffered losses and damages. The contract had expired on 31 January 2011. ISB is claiming for the remaining balance of the contract sum of RM11,391,357.08.

As per the announcement made on 14 November 2014, TNB had filed their Defence and Counterclaim against the Writ of Summons which had been served on them. In addition to denying some of the claims made in the Writ of Summons against them, TNB had claimed that all payments made to-date by TNB to ISB and/or directly to a vendor amounting RM47,280,032.00, for any portion of the RMR System which was supplied, installed and commissioned by ISB, was made under a mistake or without realization that the said RMR system was not fit for purpose and/or not in accordance with the Contract. Therefore TNB had filed a Counterclaim against ISB for:

- (i) The Sum of RM47,280,032.00 being reimbursement of all sums paid by TNB to ISB to-date;
- (ii) In the alternative, a sum to be assessed by the Honourable Court for the diminution in value of the portion of the RMR System supplied, installed and commissioned by ISB;
- (iii) Interest at the rate of 6% on the adjudged sum from the date of judgement till full settlement;
- (iv) Costs;
- (v) Such further or other reliefs that the Honourable Court deems fit.

A consent Judgment was recorded before the Honourable Justice Hanipah Farikullah on 22 June 2015 on the following terms:

- (i) TNB to pay to ISB the sum of RM1,000,000.00 as final settlement;
- (ii) The Counterclaim against ISB be withdrawn;
- (iii) ISB and TNB are released from any other claim against each other with regards to RMR Project;
- (iv) The sum of RM1,000,000.00 to be paid within 30 days from the date of the Judgment; and
- (v) No order as to costs.

The payment in respect of the above consent judgment was made to ISB on 6 July 2015.

A.14 Capital Commitments

There were no major capital commitments for the Group as at the date of this report.

A.15 Related Party Transactions

The related party transactions of the Group had been entered into in the ordinary course of business. Below are the significant transactions and balances with related parties of the Group during the current financial period.

Related Parties	Transactions	Transactions for the period ended 30 June 2015 RM '000	Balance due from / (to) as at 30 June 2015 RM '000
Lembaga Tabung Haji	Sales of equipment and services rendered	10,872	3,125
TH Agro Management Sdn Bhd	Sales of equipment and services rendered	228	209
THP Development Consultancy Sdn Bhd	Sales of equipment and services rendered	-	373
TH Heavy Engineering Berhad	Sales for equipment and services rendered	1,211	1,982
TH Properties Sdn Bhd	Sales for equipment and services rendered	166	202

(B) Notes to the Interim Financial Statements (revised BMSB Listing Requirements)

B.1 Review of performance

The Group reported a revenue of RM 63.6 million and a loss before taxation of RM 5.7 million for the year ended 30 June 2015 as compared to the revenue and loss before taxation for the same period in the previous year of RM 37.1 million and RM 5.3 million respectively.

The improvement of revenue in the current period of 71% was mainly due to the higher volume from the trading segment which constitute about 50% of the current revenue and the completion of some big projects milestones after the last financial year end.

Despite the higher revenue, the Group reported a slightly higher loss before taxation of RM5.7 million against RM5.3 million from the preceding year which was mainly due to the higher depreciation. The higher depreciation was due to a large acquisition of IT equipments during the year for a three (3) year desktop management services project.

B.2 Material changes in quarterly results

The Group's revenue for the current quarter decreased to RM 27.7 million as compared to that of RM 35.9 million for the immediate preceding quarter. The Group reported loss before taxation of RM 3.5 million for the current period as compared to the loss before taxation of RM 2.2 million in the immediate preceding quarter.

B.3 Prospects

ICT spending in Malaysia is expected to cross the RM70 billion mark according to PIKOM. 2015 will see initiatives largely driven by Government, to globalize, increase competitiveness, promote human capital development, lead the digital trend and accelerate growth of demand in the Malaysian ICT industry. The growth of the telecommunication and communication industry is expected to remain strong with the roll-out of the long term evolution network (LTE) by telecommunication providers.

There are no changes to the Group's strategies and action plans. Strong focus and emphasis on execution and productivity to realize the action plans. The Group will also continue to leverage on the support of its major shareholder and its Group of companies.

However, the Group expects 2015 to remain a challenging year in light of the implementation of the Goods and Services Tax as well as the reduction in operating and capital expenditure spending by the Government and certain industries in view of the changes in the economic climate.

The Group had been supplying IT equipments and accessories under a Price Agreement contract to a major customer since May 2005. The contract will be expiring on 31 August 2015 and will not be renewed as the customer has called for a tender directly with the equipment manufacturers. As the project is for the supply of IT equipments, the margins derived from the project is very thin.

Therefore the expiry of the contract will not significantly affect the future earnings of the Group. In any event the Group is pursuing with other potential customers.

Nevertheless, barring unforeseen circumstances, the Group expects that the results for the financial year 2015 will be better than 2014.

B.4 Statement of the Board of Directors' opinion on profit forecast and profit guarantee

Not applicable as the Group did not publish any profit forecast or profit guarantee.

B.5 Loss before Tax

The following amounts have been included in arriving at loss before tax:

	Current Quarter Ended 30/06/2015 RM'000	Current Year To Date Ended 30/06/2015 RM'000
Depreciation	1,397	2,107
Income from short term investments	(77)	(166)
Borrowing costs	126	143

B.6 Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 30/06/2015 RM '000	Preceding Year Corresponding Quarter Ended 30/06/2014 RM '000	Current Year To Date Ended 30/06/2015 RM '000	Preceding Year Corresponding Period Ended 30/06/2014 RM '000
Corporate Income Tax				
Current Year	-	-	-	-
Under/(over) provision for previous period	-	-	-	-
	-	-	-	-

B.7 Sale of unquoted investments and/or properties

The Group was not involved in any sale of unquoted investments and/or properties during the quarter under review.

B.8 Quoted securities

There were no quoted securities held by the Group.

B.9 Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 21 August 2015 the latest practicable date which shall not be earlier than seven (7) days from the date of issue of this quarterly report.

(a) Employee Share Option Scheme (“ESOS”)

At an Extraordinary General Meeting on 11 May 2011, the Company’s shareholders approved the establishment of a five (5) year ESOS of up to ten percent (10%) of the issued and paid-up capital of the Company, commencing from the effective date of 12 May 2011.

Set out below are the details of options over the ordinary shares of the Company under the ESOS:

Option Date	Option Expiry Date	Exercise Price	Number Of Options Over Ordinary Shares of RM1.00			
			Granted as at 14/06/2011	Exercised	Lapsed/ Cancelled	As at 30/06/2015
1/6/2011	31/5/2016	RM1.05	5,909,000	-	(3,241,000)	2,668,000

B.10 Group borrowings

Details of the Group's borrowings as at the end of the reporting period are as follows:

Short Term Borrowings

Unsecured	30/06/2015 RM '000	30/06/2014 RM '000
Revolving Credit	1,000	5,000
Trust Receipts	-	721
Total	1,000	5,721

Hire Purchase

	30/06/2015 RM '000	30/06/2014 RM '000
Repayable within 12 months	3,899	91
Payable more than 12 months	5,951	161
Total	9,850	252

All the borrowings are denominated in Ringgit Malaysia.

B.11 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at 21 August 2015, the latest practicable date which shall not be earlier than seven (7) days from the date of issue of this quarterly report.

B.12 Changes in fair value of financial instruments

The carrying amounts of the financial instruments of the Group as at the balance sheet date approximate their fair values due to relatively short term maturity of these financial instruments.

B.13 Changes in material litigations

Other than those indicated in Note A13 to the Interim Financial Statements MFRS134, there were no changes in material litigations as at 21 August 2015, the latest practicable date which shall not be earlier than seven (7) days from the date of issue of this quarterly report.

B.14 Dividends

No dividends have been paid, declared or proposed since the end of the Company's previous financial year. The Directors do not recommend any interim dividend for the period under review.

B.15 Loss per share

The basic loss per share for the quarter and year to date ended 30 June 2015 are computed as follows:

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30/06/2015	Preceding Year Corresponding Quarter 30/06/2014	Current Year To Date 30/06/2015	Preceding Year Corresponding Period 30/06/2014
Net loss (RM'000)	(3,558)	(2,518)	(5,737)	(5,346)
Weighted average number of ordinary shares in issue ('000)	107,241	107,241	107,241	107,241
Basic LPS (sen)	(3.32)	(2.35)	(5.35)	(4.99)
Diluted LPS (sen)	-	-	-	-

Diluted LPS is not computed due to the anti-dilutive effect.

B.16 Realised and Unrealised Retained Profits

In relation to the Directive by BMSB on 25 March 2010, the determination of realized and unrealized profits is based on the Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to BMSB Listing Requirements, issued by the Malaysian Institute Of Accountants on 20 December 2010.

	30/06/2015 RM'000	30/06/2014 RM'000
Breakdown of accumulated losses of the Group		
- Realised	(27,912)	(54,182)
- Unrealised*	3,902	3,902
Less: Consolidation adjustments	(26,714)	7,077
Total Group Retained Losses	(50,724)	(43,203)

*Unrealised retained profits/accumulated losses comprise mainly of the recognised deferred tax asset of which probable tax profit will be available against which the deductible temporary differences can be utilized.

B.17 Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 August 2015.