

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018**

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	THREE MONTHS ENDED 30 SEPTEMBER			SIX MONTHS ENDED 30 SEPTEMBER		
	2018 RM'000 Unaudited	2017 RM'000 Unaudited	Changes %	2018 RM'000 Unaudited	2017 RM'000 Unaudited	Changes %
Revenue	74,709	92,516	(19.2)	127,916	181,707	(29.6)
Cost of sales	<u>(57,160)</u>	<u>(63,280)</u>	(9.7)	<u>(97,924)</u>	<u>(119,845)</u>	(18.3)
Gross profit	17,549	29,236	(40.0)	29,992	61,862	(51.5)
Other income	709	2,171	(67.3)	1,572	3,012	(47.8)
Other operating expenses	(23,225)	(36,215)	(35.9)	(41,207)	(66,214)	(37.8)
Finance costs	(2,164)	(2,379)	(9.0)	(4,185)	(4,892)	(14.5)
Share of results of associates, net of tax	684	1,113	(38.5)	1,658	2,582	(35.8)
Loss before tax	<u>(6,447)</u>	<u>(6,074)</u>	6.1	<u>(12,170)</u>	<u>(3,650)</u>	NA
Tax expense	(1,208)	(289)	NA	(1,290)	(1,706)	(24.4)
Loss for the financial period	<u><u>(7,655)</u></u>	<u><u>(6,363)</u></u>	20.3	<u><u>(13,460)</u></u>	<u><u>(5,356)</u></u>	NA
Other comprehensive (loss) / income, net of tax						
Items that may be reclassified subsequently to profit or loss:						
- Foreign currency translation differences for foreign operations	(123)	50	NA	(151)	56	NA
- Share of foreign currency translation of associates	(44)	(130)	NA	(71)	(130)	NA
Other comprehensive loss for the financial period, net of tax	<u><u>(167)</u></u>	<u><u>(80)</u></u>	NA	<u><u>(222)</u></u>	<u><u>(74)</u></u>	NA
Total comprehensive loss for the financial period	<u><u>(7,822)</u></u>	<u><u>(6,443)</u></u>	21.4	<u><u>(13,682)</u></u>	<u><u>(5,430)</u></u>	NA
Loss attributable to:-						
Owners of the Parent	(7,508)	(6,236)	20.4	(13,075)	(6,696)	95.3
Non-controlling interests	<u>(147)</u>	<u>(127)</u>	15.7	<u>(385)</u>	<u>1,340</u>	NA
Loss for the financial period	<u><u>(7,655)</u></u>	<u><u>(6,363)</u></u>	20.3	<u><u>(13,460)</u></u>	<u><u>(5,356)</u></u>	NA
Total comprehensive loss attributable to:-						
Owners of the Parent	(7,635)	(6,327)	20.7	(13,231)	(6,746)	96.1
Non-controlling interests	<u>(187)</u>	<u>(116)</u>	61.2	<u>(451)</u>	<u>1,316)</u>	NA
Total comprehensive loss for the financial period	<u><u>(7,822)</u></u>	<u><u>(6,443)</u></u>	21.4	<u><u>(13,682)</u></u>	<u><u>(5,430)</u></u>	NA
Loss per ordinary share (sen)						
- Basic and diluted	<u>(1.70)</u>	<u>(1.45)</u>		<u>(2.96)</u>	<u>(1.56)</u>	

(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 2018.)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2018**

	As at 30 SEPTEMBER 2018 RM'000 Unaudited	As at 31 MARCH 2018 RM'000 Audited
ASSETS		
Non-Current Assets		
Property, plant and equipment	9,832	11,836
Investment in associates	86,745	103,125
Other intangible assets	7,454	8,680
Other investments	7,327	1,930
Investment properties	994	-
Other receivables	7,425	9,279
Goodwill	36,714	36,714
Deferred tax assets	4,450	4,553
	160,941	176,117
Current Assets		
Other investments	105	103
Inventories	1,601	1,700
Trade receivables	62,343	60,689
Other receivables, deposits and prepayments	91,257	88,031
Amount due from associates	-	9
Current tax assets	6,878	5,696
Cash and cash equivalents	34,035	40,377
	196,219	196,605
TOTAL ASSETS	357,160	372,722
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share capital	241,120	230,698
Other reserves	27,975	39,032
Accumulated losses	(119,836)	(115,411)
	149,259	154,319
Non-controlling interests	14,588	13,088
TOTAL EQUITY	163,847	167,407
Non-Current Liabilities		
Borrowings	14,114	15,329
Provision for post employment benefits	3,686	3,686
Deferred tax liabilities	145	145
	17,945	19,160
Current Liabilities		
Trade payables	39,695	29,650
Other payables, deposits and accruals	69,825	80,459
Amount due to associates	624	510
Borrowings	65,217	75,534
Current tax payables	7	2
	175,368	186,155
TOTAL LIABILITIES	193,313	205,315
TOTAL EQUITY AND LIABILITIES	357,160	372,722
Net assets per share (RM)	0.3380	0.3582

(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 2018.)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018**

	-----> Attributable to owners of the Parent <-----								
	-----> Non-distributable <-----					Distributable			
	Ordinary shares RM'000	Capital reserve RM'000	Warrant reserve RM'000	Equity compensation reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	
Unaudited Six Months Financial Period Ended 30 September 2018									
Balance as at 1 April 2018	230,698	24,663	11,307	3,313	(251)	(115,411)	154,319	13,088	167,407
Loss after tax for the financial period	-	-	-	-	-	(13,075)	(13,075)	(385)	(13,460)
Foreign currency translation for foreign operations	-	-	-	-	(85)	-	(85)	(66)	(151)
Share of other comprehensive income of associates, net of tax	-	-	-	-	(71)	-	(71)	-	(71)
Total comprehensive loss for the financial period	-	-	-	-	(156)	(13,075)	(13,231)	(451)	(13,682)
Transactions with owners									
Shares issued pursuant to Long Term Incentive Plan ("LTIP")	105	-	-	-	-	-	105	-	105
Shares issued pursuant to private placement	9,218	-	-	-	-	-	9,218	-	9,218
Effects arising from disposal of a subsidiary	-	-	-	-	-	-	-	(44)	(44)
Arising from accretion of equity interests in subsidiaries	-	-	-	-	-	(2,422)	(2,422)	1,717	(705)
Share-based payment transactions in a subsidiary	-	-	-	406	-	-	406	278	684
Conversion of Warrant B	1,099	-	(235)	-	-	-	864	-	864
Warrant lapsed	-	-	(11,072)	-	-	11,072	-	-	-
Total transactions with owners	10,422	-	(11,307)	406	-	8,650	8,171	1,951	10,122
Balance as at 30 September 2018	<u>241,120</u>	<u>24,663</u>	<u>-</u>	<u>3,719</u>	<u>(407)</u>	<u>(119,836)</u>	<u>149,259</u>	<u>14,588</u>	<u>163,847</u>

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018 (continued)**

	-----> Attributable to owners of the Parent <-----					Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	-----> Non-distributable <-----			Distributable					
	Ordinary shares RM'000	Capital reserve RM'000	Warrant reserve RM'000	Equity compensation reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
Unaudited Six Months Financial Period Ended 30 September 2017									
Balance as at 1 April 2017	230,281	24,663	11,307	2,493	(950)	8,700	276,494	53,415	329,909
(Loss) / Profit after tax for the financial period	-	-	-	-	-	(6,696)	(6,696)	1,340	(5,356)
Foreign currency translation for foreign operations	-	-	-	-	80	-	80	(24)	56
Share of other comprehensive income of associates, net of tax	-	-	-	-	-	(130)	(130)	-	(130)
Total comprehensive income / (loss) for the financial period	-	-	-	-	80	(6,826)	(6,746)	1,316	(5,430)
Transactions with owners									
Shares issued pursuant to Long Term Incentive Plan ("LTIP")	208	-	-	-	-	-	208	-	208
Effect arising from acquisition of a subsidiary	-	-	-	-	-	-	-	376	376
Arising from dilution of equity interests in subsidiaries	-	-	-	-	-	301	301	3,405	3,706
Share-based payment transactions in a subsidiary	-	-	-	529	-	-	529	384	913
Total transactions with owners	208	-	-	529	-	301	1,038	4,165	5,203
Balance as at 30 September 2017	<u>230,489</u>	<u>24,663</u>	<u>11,307</u>	<u>3,022</u>	<u>(870)</u>	<u>2,175</u>	<u>270,786</u>	<u>58,896</u>	<u>329,682</u>

(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 2018.)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018**

	SIX MONTHS ENDED 30 SEPTEMBER	
	2018	2017
	RM'000	RM'000
	Unaudited	Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(12,170)	(3,650)
Adjustment for non-cash items:		
Bad debts written off	-	23
Depreciation and amortisation	2,188	4,425
Equity settled share-based payment transactions	684	912
Impairment losses on receivables	-	307
Impairment loss on property, plant and equipment	4	-
Interest expense	4,071	4,642
Interest income	(544)	(566)
Inventories written down	1	1
Loss on dilution of equity interest in associates	1,169	1,587
Loss on disposal of a subsidiary	1,165	-
Loss on disposal of associate	2,346	-
Net gain on disposal of property, plant and equipment	-	(10)
Net loss on fair value adjustments on other investments	925	634
Net loss on disposal of other investments	-	614
Net unrealised loss on foreign currency exchange	-	(113)
Provision for post-employment benefits	-	179
Reversal of impairment loss on trade receivables	(281)	(1,044)
Share of results of associates	(1,658)	(2,582)
Write off of deposits	13	-
Operating (loss) / profit before working capital changes	<u>(2,087)</u>	<u>5,359</u>
Net changes in assets	(5,751)	1,040
Net changes in liabilities	2,348	(13,277)
Net cash used in operations	<u>(5,490)</u>	<u>(6,878)</u>
Tax paid	(2,483)	(3,250)
Tax refund	116	422
Net cash used in operating activities	<u>(7,857)</u>	<u>(9,706)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of additional shares in subsidiaries	(331)	-
Addition of software development	(292)	(262)
Disposal of interest in subsidiaries	(373)	3,707
Disposal of a subsidiary, net of cash disposed off	(158)	-
Interest received	542	561
Net placement of fixed deposits pledged	(1,316)	(1,930)
Proceeds from disposal of interest in an associate	8,130	1,348
Proceeds from disposal of other investments	-	2,003
Proceeds from disposal of property, plant and equipment	(127)	11
Purchase of property, plant and equipment	-	(3,196)
Net cash generated from investing activities	<u>6,075</u>	<u>2,242</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of borrowings	(13,606)	(9,379)
Proceeds from exercise of warrants	10,082	-
Interest paid	(4,071)	(4,642)
Net cash used in financing activities	<u>(7,595)</u>	<u>(14,021)</u>
Net decrease in cash and cash equivalents	(9,377)	(21,485)
Cash and cash equivalents at 1 April 2018/2017*	27,581	46,954
Effect of foreign exchange on opening balance	(144)	114
Cash and cash equivalents at 30 September 2018/2017*	<u>18,060</u>	<u>25,583</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 2018.)

**Notes to the Interim Financial Report
For the Second Quarter Ended 30 September 2018**

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 2018. 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 2018.

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 2018, except for the adoption of the following FRSs and Amendments to FRSs during the current financial period: -

	Effective for financial periods beginning on or after
FRS 9 Financial Instruments (IFRS as issued by IASB in July 2014)	1 January 2018
Amendments to FRS 2 Classification and Measurement of Share-based Payment	1 January 2018

The adoption of the above standards that are applicable from the financial year beginning on 1 April 2018 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 2018, 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 2019.

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 2018 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.

7 Debt and equity securities

During the current financial period under review, the issued and paid-up capital of the Company has increased from 431,075,491 to 456,338,025 ordinary shares. The increase in the issued and paid-up share capital of the Company arose from the issuance of 230,800 new ordinary shares pursuant to the Long Term Incentive Plan (LTIP) to eligible employees, issuance of 23,303,400 new ordinary shares pursuant to private placement and issuance of 1,728,334 new ordinary shares pursuant to conversion of Warrants 2013/2018.

Saved as disclosed above, there were no other 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.

8 Dividends paid

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

**Notes to the Interim Financial Report
For the Second Quarter Ended 30 September 2018**
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
Six Months Financial Period Ended 30 September 2018						
External sales	70,182	55,455	2,029	250	-	127,916
Inter segment sales	12,118	8,561	49	1,113	(21,841)	-
Total Sales	82,300	64,016	2,078	1,363	(21,841)	127,916
Segment results	(1,059)	577	(1,772)	(42,786)	34,739	(10,301)
Share of results of associates	-	-	-	1,658	-	1,658
Interest expense	(7)	(1,809)	(114)	(2,246)	105	(4,071)
Interest Income	406	124	2	117	(105)	544
Profit / (Loss) before taxation	(660)	(1,108)	(1,884)	(43,257)	34,739	(12,170)
Segment assets	339,239	121,678	1,566	280,770	(386,093)	357,160
Six Months Financial Period Ended 30 September 2017						
External sales	103,622	71,127	6,843	115	-	181,707
Inter segment sales	31,570	(285)	1,905	812	(34,002)	-
Total Sales	135,192	70,842	8,748	927	(34,002)	181,707
Segment results	10,829	37	(4,819)	(6,051)	(2,152)	(2,156)
Share of results of associates	-	-	-	2,582	-	2,582
Interest expense	(965)	(613)	(158)	(2,935)	29	(4,642)
Interest Income	338	125	95	37	(29)	566
Profit / (Loss) before taxation	10,202	(451)	(4,882)	(6,367)	(2,152)	(3,650)
Segment assets	435,841	120,858	98,030	461,809	(561,028)	555,510

**Notes to the Interim Financial Report
For the Second Quarter Ended 30 September 2018**

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.

11 Changes in the composition of the group

Subsidiary

During the current financial period under review, Continuous Network Advisers Sdn Bhd ("CNA"), a wholly-owned subsidiary of the Company converted 7,500,000 RCPS-C and 10,000,000 RCPS-D into ordinary shares in Fiber At Home City Networks Sdn Bhd ("FIBER"). Following the conversions, CNA held 23,800,000 ordinary shares in Fiber, representing 96.36% equity interest in FIBER.

Omesti Holdings Berhad ("OHB"), a wholly-owned subsidiary of the Group has on 3 July 2018 acquired 100,000 ordinary shares in Red Ape Solutions Sdn Bhd ("RAS"), a company incorporated in Malaysia that is engaged in the business of providing solutions, training and consultation, consultation services in information technology, web development and applications, representing 100% of the equity interest for a total cash consideration of RM1,000,000. Following the acquisition, RAS became a wholly-owned subsidiary of OHB.

Continuous Network Advisers Sdn Bhd ("CNA"), a wholly-owned subsidiary of the Group has on 2 August 2018 disposed off 23,800,000 ordinary shares in Fiber At Home City Networks Sdn Bhd ("FIBER"), a company incorporated in Malaysia that is engaged in the business of spearheading the information communication technology development in the areas of infrastructure, content and application and trading of computer equipment, representing 96.36% of the equity interest for a total cash consideration of RM1. Following the disposal, Fiber ceased to be a subsidiary of CNA.

Omesti Innovation Lab Singapore Pte Ltd ("OILS"), a wholly-owned subsidiary of CNA has on 4 September 2018 filed an application for strike-off with the Accounting and Corporate Regulatory Authority ("ACRA"), Singapore. The application has been approved by the ACRA on 14 September 2018.

Associate

OHB has on 20 August 2018 disposed off 110,000,000 ordinary shares in Diversified Gateway Solutions Berhad ("DGSB"), a company incorporated in Malaysia that is listed on the ACE Market of the Bursa Securities, representing 7.38% of the equity interest for a total cash consideration of RM6.93 million. Following the disposal, OHB holds 5.65% of DGSB and DGSB ceased to be an associate of OHB.

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

There were no material events announced subsequent to the end of the current financial period under review up to the date of this announcement.

13 Changes in contingent liabilities or contingent assets

Corporate Guarantee granted by the following Companies during the current financial period under review are as follows:-

	RM'000
Omesti	
- to financial institution for facilities granted to subsidiaries	<u>33,000</u>
- to leasing party for leasing facilities to subsidiaries	<u>1,099</u>

14 Capital commitments

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

**Notes to the Interim Financial Report
For the Second Quarter Ended 30 September 2018**

15 Cash and bank balances

The Group's cash and bank balances as at the end of the reporting date can be analysed as follows:

	As at 30 SEPTEMBER 2018 RM'000
Cash and bank balances	12,793
Fixed deposits with licensed financial institutions	21,242
	<u>34,035</u>
Less: Fixed deposits pledged with licensed banks	(13,926)
Less: Bank overdraft	<u>(2,049)</u>
	<u><u>18,060</u></u>

16 Comparative figures

Certain comparative figures for the financial year ended 31 March 2018 have been reclassified to conform with current financial year's presentation. These reclassifications do not have an impact on the retained earnings of the Company.

	As previously reported RM'000	Reclassification RM'000	As restated RM'000
31 March 2018			
<u>Statement of financial position</u>			
Inventories	39,003	(37,303)	1,700
Other receivables, deposits and prepayments	50,728	37,303	88,031
	<u><u>50,728</u></u>	<u><u>37,303</u></u>	<u><u>88,031</u></u>

**Additional information required by Bursa Securities Listing Requirements
For the Second Quarter Ended 30 September 2018**

1 Detailed analysis of performance

The Group's revenue for the current quarter under review has decreased to RM74.71 million or a decrease of 19.2% as compared to the corresponding quarter of the preceding financial year due to the deconsolidation of financial results of DGSB Group following the cessation of DGSB Group as a subsidiary of the Group.

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

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	THREE MONTHS ENDED 30 SEPTEMBER			SIX MONTHS ENDED 30 SEPTEMBER		
	2018	2017	Variance	2018	2017	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
Business Performance Services	42,906	77,168	(44.4)	82,300	135,192	(39.1)
Trading & Distribution Services	40,997	31,225	31.3	64,016	70,842	(9.6)
Digital & Infrastructure Services	830	4,376	(81.0)	2,078	8,748	(76.2)
Others	649	490	32.4	1,363	927	47.0
	<u>85,382</u>	<u>113,259</u>	<u>(24.6)</u>	<u>149,757</u>	<u>215,709</u>	<u>(30.6)</u>
Less : Inter Segment Revenue	<u>(10,673)</u>	<u>(20,743)</u>		<u>(21,841)</u>	<u>(34,002)</u>	
Total Group Revenue	<u>74,709</u>	<u>92,516</u>	<u>(19.2)</u>	<u>127,916</u>	<u>181,707</u>	<u>(29.6)</u>

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 SEPTEMBER			SIX MONTHS ENDED 30 SEPTEMBER		
	2018	2017	Variance	2018	2017	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
Business Performance Services	(723)	4,166	NA	(660)	10,202	NA
Trading & Distribution Services	553	(459)	NA	(1,108)	(451)	NA
Digital & Infrastructure Services	(542)	(2,560)	(78.8)	(1,884)	(4,882)	(61.4)
Others	(41,680)	(4,060)	NA	(43,257)	(6,367)	NA
	<u>(42,392)</u>	<u>(2,913)</u>	<u>NA</u>	<u>(46,909)</u>	<u>(1,498)</u>	<u>NA</u>
Less : Elimination	<u>35,945</u>	<u>(3,161)</u>		<u>34,739</u>	<u>(2,152)</u>	
(Loss) / profit before tax	<u>(6,447)</u>	<u>(6,074)</u>	<u>6.1</u>	<u>(12,170)</u>	<u>(3,650)</u>	<u>NA</u>

The Group posted a loss before tax of RM12.17 million for the current financial period as compared to a profit before tax of RM3.65 million as recorded in the previous corresponding period.

2 Variation of results against preceding quarter

	3 months ended 30 SEPTEMBER 2018 RM'000	3 months ended 30 JUNE 2018 RM'000	Variance %
Revenue	<u>74,709</u>	<u>53,207</u>	40.4
Loss before tax ("LBT")	<u>(6,447)</u>	<u>(5,723)</u>	12.7

The Group recorded a loss before tax of RM6.45 million for the current quarter under review compared to a loss before tax of RM5.72 million in the immediate preceding quarter.

**Additional information required by Bursa Securities Listing Requirements
For the Second Quarter Ended 30 September 2018**
3 Business prospects

Barring any unforeseen circumstances, the Group anticipates a more positive outlook in the business environment that the Group operates in for the second half of the financial year.

4 Profit forecast

Not applicable.

5 Income tax expense

	INDIVIDUAL QUARTER THREE MONTHS ENDED 30 SEPTEMBER		CUMULATIVE PERIOD SIX MONTHS ENDED 30 SEPTEMBER	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Current tax expense				
- Malaysian taxation	1,086	(63)	1,186	1,649
- Foreign taxation	-	254	-	254
	<u>1,086</u>	<u>191</u>	<u>1,186</u>	<u>1,903</u>
Under/(Over) provision in prior period				
- Malaysian taxation	-	-	-	106
- Foreign taxation	-	35	-	-
	<u>-</u>	<u>35</u>	<u>-</u>	<u>106</u>
	<u>1,086</u>	<u>226</u>	<u>1,186</u>	<u>2,009</u>
Deferred taxation				
- origination and reversal of temporary differences				
- Malaysian taxation	122	63	104	(303)
	<u>1,208</u>	<u>289</u>	<u>1,290</u>	<u>1,706</u>

The Group incurred an income tax expense despite recording a loss before tax for the current quarter under review 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 15 November 2017, the Company announced that the Company proposes to implement a private placement of up to 51,401,900 new ordinary shares ("Placement Shares") in Omesti, to independent third party investor(s) to be identified ("Private Placement").

The listing application pursuant to the Private Placement was approved by Bursa Securities on 15 January 2018.

On 22 June 2018, the Company applied for an extension of time of six (6) months up to 12 January 2019 to complete the Private Placement with Bursa Malaysia. Approval was granted vide Bursa Malaysia's letter dated 28 June 2018.

On 10 July 2018, the Company announced that the issue price for the Placement Shares is fixed at RM0.400 per Placement Share pursuant to the Private Placement. The first tranche of 21,000,000 Placement Shares were issued on 18 July 2018 and a total cash proceeds of RM8.40 million were raised.

On 20 August 2018, the Company announced that the issue price for the second tranche of Placement Shares is fixed at RM0.355 per Placement Share pursuant to the Private Placement. 2,303,400 Placement Shares were subsequently issued on 4 September 2018 and a total cash proceeds of RM0.82 million were raised.

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

**Additional information required by Bursa Securities Listing Requirements
For the Second Quarter Ended 30 September 2018**
7 Status of utilisation of proceeds from Private Placement

On 20 August 2018, the Private Placement has been partially completed with the listing of and quotation for the 23,303,400 Placement Shares on the Main Market of Bursa Securities.

As at 27 November 2018, the status of utilisation of the proceeds raised is as follows: -

	Intended timeframe	Proposed Utilisation RM'000	Actual Utilisation as at 23 August 2017 RM'000	Balance Utilisation RM'000	Revision of utilisation of proceeds RM'000	Balance Utilisation RM'000
a) Repayment of Bank Borrowings	Within six (6) months	3,500	3,500	-	-	-
b) Working capital for general business purposes	Within twelve (12) months	5,320	5,320	-	-	-
c) Estimated expenses for the Proposed Private Placement	Within one (1) month	400	400	-	-	-
Total		9,220	9,220	-	-	-

8 Borrowings and debt securities

The Group's bank borrowings consist of term loan, invoice financing, lease creditors, trust receipts and bank overdraft, and are denominated in Ringgit Malaysia.

	As at 30 SEPTEMBER 2018 RM'000
Short term bank borrowings - secured	65,217
Long term bank borrowings - secured	14,114
	<u>79,331</u>

9 Changes in material litigation

There is no pending litigation as at end of the current financial period under review.

10 Dividends

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

11 Loss per ordinary share
Basic / diluted loss per ordinary share

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

	INDIVIDUAL QUARTER THREE MONTHS ENDED 30 SEPTEMBER		CUMULATIVE PERIOD SIX MONTHS ENDED 30 SEPTEMBER	
	2018	2017	2018	2017
Loss after tax and non-controlling interests (RM'000)	(7,508)	(6,236)	(13,075)	(6,696)
Number of shares in issue as at beginning of the period ('000)	431,873	430,437	431,075	430,254
Effect of issuance of LTIP ('000)	2	-	230	183
Effect of conversion of warrant B ('000)	582	-	1,152	-
Effect of private placement ('000)	9,189	-	9,189	-
WA number of ordinary shares in issue ('000)	441,646	430,437	441,646	430,437
Basic / diluted loss per ordinary share (sen)	<u>(1.70)</u>	<u>(1.45)</u>	<u>(2.96)</u>	<u>(1.56)</u>

**Additional information required by Bursa Securities Listing Requirements
For the Second Quarter Ended 30 September 2018**

12 Loss before tax

	INDIVIDUAL QUARTER THREE MONTHS ENDED 30 SEPTEMBER		CUMULATIVE PERIOD SIX MONTHS ENDED 30 SEPTEMBER	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Loss before tax is arrived at after charging: -				
Bad debts written off	-	-	-	23
Depreciation and amortisation	994	2,187	2,188	4,425
Equity settled share-based payment transactions	269	456	684	912
Impairment losses on:				
- trade and other receivables	-	307	-	307
- property, plant and equipment	-	-	4	-
Interest expenses	2,098	2,291	4,071	4,642
Inventories written down	1	1	1	1
Loss on disposal of:				
- a subsidiary	1,165	-	1,165	-
- other investments	-	562	-	614
Loss on dilution of equity interest in associates	893	1,587	1,169	1,587
Net loss on fair value adjustment on other investments	1,027	771	925	634
Provision for post-employment benefits	-	21	-	179
Realised loss on foreign currency transactions	17	11	36	28
Unrealised loss on foreign currency translation	-	96	-	220
And crediting: -				
Gain on disposal of :				
- property, plant and equipment	10	-	-	10
Interest income	170	261	544	566
Net gain on fair value adjustment on other investments	-	-	-	-
Reversal of impairment losses on:				
- trade receivables	281	269	281	1,044
Realised gain on foreign currency transactions	217	63	272	127
Share of profits of associates	684	1,113	1,658	2,582
Unrealised gain on foreign currency translation	60	229	91	326