

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2016

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		3 months ended		6 months ended	
		31/10/2016 RM'000 (Unaudited)	31/10/2015 RM'000 (Audited)	31/10/2016 RM'000 (Unaudited)	31/10/2015 RM'000 (Audited)
Revenue	B1	15,266	6,410	22,475	12,045
Other operating income		7	26	10	53
Employee benefits		(1,270)	(1,556)	(3,151)	(3,052)
Depreciation & amortisation		(740)	(796)	(1,494)	(1,615)
Other operating expenses		(12,089)	(3,784)	(15,580)	(6,675)
<b>Profit/(Loss) from operations</b>		1,174	302	2,260	756
Finance costs		(4)	(10)	(6)	(20)
<b>Profit before taxation</b>	B2	1,170	292	2,254	736
Income tax recover/(expenses)	B5	(29)	30	(234)	(80)
<b>Profit/(loss) for the year/(period)</b>		1,141	322	2,020	656
<b>Other Comprehensive income</b>					
- Currency translation difference not recognised in income statement		-	-	-	-
<b>Total comprehensive income for the financial year/(period)</b>		1,141	322	2,020	656
<b>Profit/ (Loss) Attributable to:</b>					
Owner of the Parent		73	20	142	53
Non-controlling interest		1,068	302	1,878	603
		1,141	322	2,020	656
<b>Total comprehensive income attributable to :</b>					
Owner of the Parent		73	20	142	53
Non-controlling interest		1,068	302	1,878	603
		1,141	322	2,020	656
<b>Earning/(Loss) per share (sen)</b>					
- Basic	B10	0.02	0.01	0.04	0.01
- Diluted	B10	0.01	0.01	0.03	0.01

**Note:**

The unaudited Condensed Consolidated Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2016 and the accompanying note attached to this interim financial report.

**TECHNODEX BHD**  
**Company No. 627634-A**  
**(Incorporated in Malaysia)**

**UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2016**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	Unaudited As At 31/10/2016 RM'000	Audited As At 30/04/2016 RM'000
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, plant and equipment		1,248	1,080
Goodwill on consolidation		2,714	2,714
Development costs		-	-
Other intangible assets		10,873	10,047
<b>Total Non-current Assets</b>		<b>14,835</b>	<b>13,841</b>
<b>Current Assets</b>			
Trade receivables		13,115	11,647
Other receivables, deposits and prepayments		6,800	2,257
Inventory		485	-
Tax refundable		-	-
Fixed deposits with licensed banks		800	600
Cash and bank balances		7,368	4,293
<b>Total Current Assets</b>		<b>28,567</b>	<b>18,797</b>
<b>Total Assets</b>		<b>43,402</b>	<b>32,638</b>
<b>Equity and Liabilities</b>			
Share capital		41,293	37,539
Share premium		1,521	1,853
Foreign exchange translation reserve		-	676
Accumulated (losses)		(13,442)	(14,251)
Non controlling interest		6,342	4,485
<b>Total Equity</b>		<b>35,714</b>	<b>30,301</b>
<b>Non-current Liabilities</b>			
Hire purchase payables	B7	2,577	-
Deferred tax liability		61	61
<b>Total Non-current Liabilities</b>		<b>2,638</b>	<b>61</b>
<b>Current Liabilities</b>			
Trade payables		332	187
Other payables & accruals		3,466	1,806
Hire purchase payables	B7	1,016	174
Provision for taxation	B5	237	109
<b>Total Current Liabilities</b>		<b>5,051</b>	<b>2,276</b>
<b>Total Liabilities</b>		<b>7,689</b>	<b>2,337</b>
<b>Total Equity and Liabilities</b>		<b>43,402</b>	<b>32,638</b>
<b>Net assets per share attributable to ordinary equity holders of the parent company (RM)</b>		<b>0.09</b>	<b>0.08</b>

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2016 and the accompanying notes attached to this interim financial report)

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2016

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Period ended 31/10/2016 Unaudited RM'000	Period ended 31/10/2015 Audited RM'000
<b>Cash flows from/(for) operating activities</b>		
Profit/ (Loss) before taxation	2,254	736
Adjustment for:-		
Depreciation and amortisation	1,494	1,540
Interest expenses	6	20
Interest income	(4)	(53)
	3,750	2,244
Operating profit/(loss) before working capital changes		
(Increase)/ Decrease in trade and other receivables	(6,041)	(3,829)
Increase/ (Decrease) in trade and other payables	1,806	2,164
(Increase)/ Decrease in inventory	(485)	-
<b>Cash flows from/(for) operating activities</b>	(969)	579
Interest income	4	53
Interest paid	(6)	(20)
Income tax refund	1	-
Income tax paid	(107)	(61)
<b>Net cash from/(for) operating activities</b>	(1,078)	550
<b>Cash flows from/(for) investing activities</b>		
Purchase of property, plant and equipment	(287)	(16)
Purchase of intangible assets	(2,201)	(2,115)
Disposal of subsidiaries, net of cash received	1	-
<b>Net cash from/(for) investing activities</b>	(2,488)	(2,130)
<b>Cash flows from/(for) financing activities</b>		
Proceeds from issuance of shares	3,942	-
Proceeds from hire purchase	3,481	-
Repayment of hire purchase	(62)	(488)
Repayment of term loans	-	-
Share Issue expenses	(520)	(30)
<b>Net cash from/(for) financing activities</b>	6,841	(518)
<b>Net increase/(decrease) in cash and cash equivalents</b>	3,275	(2,098)
Effects of foreign exchange translation	-	-
Cash and cash equivalents at beginning of the financial year	4,894	6,308
<b>Cash and cash equivalents at end of the financial period</b>	8,168	4,210
<b><u>Cash and cash equivalents at the end of the financial period comprises the following :-</u></b>		
Fixed deposits with licensed banks	800	3,144
Cash and bank balances	7,368	1,066
	8,168	4,210

(The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2016 and the accompanying notes attached to this interim financial report.)

UNAUDITED QUARTERLY FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 OCTOBER 2016

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Company			Distributable	Non-Controlling Interest	Total Equity
	Share Capital	Share Premium	Foreign Exchange Translation Reserve			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1 May 2016	37,539	1,853	676	(14,251)	4,485	30,301
Profit for the financial year	-	-	-	142	1,878	2,020
Other comprehensive income for the financial year - Foreign currency translation differences	-	-	(676)	676	-	-
<b>Total comprehensive income for the year</b>	-	-	(676)	818	1,878	2,020
Contributions by the owners of the Company						
Issuance of shares-Private Placement	3,754	(117)	-	-	-	3,637
Issuance of shares-M&A	-	(215)	-	-	-	(215)
Disposal of subsidiary	-	-	-	(8)	(21)	(29)
<b>Total Transactions with owners</b>	3,754	(332)	-	(8)	(21)	3,393
Balance at 31 October 2016	<u>41,293</u>	<u>1,521</u>	<u>-</u>	<u>(13,442)</u>	<u>6,342</u>	<u>35,714</u>
Balance at 1 May 2015	37,539	1,853	675	(14,541)	1,202	26,727
Profit for the financial year	-	-	-	290	1,783	2,073
Other comprehensive income for the financial year - Foreign currency translation differences	-	-	1	-	-	1
Contributions by the owners of the Company						
- Acquisition of a subsidiary	-	-	-	-	1,500	1,500
- Issuance of shares	-	-	-	-	-	-
- Conversion of warrants	-	-	-	-	-	-
	-	-	-	-	1,500	1,500
Balance at 30 April 2016	<u>37,539</u>	<u>1,853</u>	<u>676</u>	<u>(14,251)</u>	<u>4,485</u>	<u>30,301</u>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2016 and the accompanying explanatory notes attached to the interim financial statements.

# **TECHNODEX BHD**

**(Company No. 627634-A)**

**(Incorporated in Malaysia)**

## **Unaudited Quarterly Financial Report For The Second Quarter Ended 31 October 2016**

### **PART A - Explanatory Notes Pursuant To Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting**

#### **A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with Malaysia Financial Reporting Standard ("MFRS") No. 134: Interim Financial Reporting, and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("AMLR").

The interim financial report should be read in conjunction with the Audited Financial Statements for the year ended 30 April 2016 and the accompanying notes attached to this interim financial report.

#### **A2. Changes in accounting policies**

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 30 April 2016.

The adoption of the following MFRSs, Amendments to MFRSs and IC Interpretation that came into effect on 1 May 2015 did not have any significant impact on the unaudited condensed consolidated financial statements upon their initial application.

Amendment to MFRS 10, : Consolidated Financial Statements Investment Entities  
MFRS 12, MFRS 127

Amendment to MFRS : Financial Instruments Presentation – Offsetting Financial  
132 Assets and Financial Liabilities

Amendment to MFRS : Impairment of Assets – Recoverable Amount Disclosure for  
136 Non-Financial Assets

Amendment to MFRS : Financial Instrument – Recognition and Measurement -  
139 Novation of Derivatives and Continuation of Hedge  
Accounting

#### **A3. Audit Report of Preceding Annual Financial Statements**

The audited annual financial statements for the year 30 April 2016 were not subject to any qualification.

#### **A4. Comments on Seasonal or Cyclical Factors**

The results of the Group were not significantly affected by any seasonal or cyclical factors during the current quarter under review and the financial year-to-date.

# **TECHNODEX BHD**

**(Company No. 627634-A)**

**(Incorporated in Malaysia)**

## **Unaudited Quarterly Financial Report For The Second Quarter Ended 31 October 2016**

### **PART A - Explanatory Notes Pursuant To Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting**

#### **A5. Nature and Amount of Exceptional and Extraordinary Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flow of the Group during the current quarter under review and the financial year-to-date.

#### **A6. Material Changes in Estimates**

There were no material changes in the estimates used for the preparation of this interim financial report.

#### **A7. Debts and Equity Securities**

There were no issuance or repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the financial period ended 31 October 2016.

#### **A8. Dividend**

There were no dividends paid during the current quarter under review and the financial year-to-date.

**TECHNODEX BHD**  
**(Company No. 627634-A)**  
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**Unaudited Quarterly Financial Report For The Second Quarter Ended 31 October 2016**

**PART A - Explanatory Notes Pursuant To Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting**

**A9. Segmental Information**

**a) Analysis of revenue by product categories**

Quarter Ended	Application Support & Services & Hardware	Manpower Outsourcing	E-Commerce	Investment Holding	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>31 Oct 2016</b>						
Sales	8,824	3,570	2,108	-	-	14,502
Intersegment sales	-	942	-	-	(178)	764
	<u>8,824</u>	<u>4,512</u>	<u>2,108</u>	<u>-</u>	<u>(178)</u>	<u>15,266</u>
<b>Results</b>						
Interest Income	18	-	-	14	(31)	1
Interest expenses	-	(66)	(3)	-	66	(4)
Depreciation & amortisation	(236)	(5)	(90)	(409)	-	(740)
Income Tax expenses	(2)	25	(53)	-	-	(30)
Segment profit/(loss) after tax	<u>64</u>	<u>336</u>	<u>1,876</u>	<u>(1,134)</u>	<u>-</u>	<u>1,141</u>

Year to date Ended	Application Support & Services & Hardware	Manpower Outsourcing	E-Commerce	Investment Holding	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>31 Oct 2016</b>						
Sales	9,905	8,198	3,752	-	-	21,855
Intersegment sales	-	1,081	-	-	(317)	764
	<u>9,905</u>	<u>9,279</u>	<u>3,752</u>	<u>-</u>	<u>(317)</u>	<u>22,619</u>
<b>Segment results</b>						
Interest Income	40	-	-	29	(66)	3
Interest expenses	(2)	(66)	(4)	-	66	(6)
Depreciation & amortisation	(477)	(10)	(174)	(833)	-	(1,494)
Income Tax expenses	(51)	(130)	(53)	-	-	(234)
Profit/(loss) after tax	<u>162</u>	<u>805</u>	<u>3,155</u>	<u>(2,102)</u>	<u>-</u>	<u>2,020</u>

b) In determining the geographical segments of the Group, segmental revenue is based on the country in which the customer is located.

The Group's segmental information by geographical location is not shown as the activities of the Group are in Malaysia.

# **TECHNODEX BHD**

**(Company No. 627634-A)**

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## **Unaudited Quarterly Financial Report For The Second Quarter Ended 31 October 2016**

### **PART A - Explanatory Notes Pursuant To Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting**

#### **A10. Valuation of Property, plant and equipment**

There were no changes in the valuation of property, plant and equipment reported in the previous audited financial statements that will have an effect in the financial quarter under review.

#### **A.11 Material Events Subsequent To the End of the Current Period**

Save as disclosed in Note B6, there were no material events subsequent to the end of the current period under review.

#### **A12. Changes in Composition of the Group**

There were no changes in the composition of the Group in the current period under review, except that Idealseed Resources Sdn Bhd (IRSB), a 55% owned subsidiary of the Company has on 12 August 2016, disposed 5,100 ordinary shares of RM1.00 each in Idealseed Talent Tactics Sdn Bhd (ITT), representing 51% of the issued and paid up shares capital of ITT for a total consideration of RM30,000.00.

As such, ITT ceased to be subsidiary of IRSB and the Company.

#### **A13. Contingent Assets or Liabilities**

There were no changes in contingent liabilities and contingent assets since the end of the last annual reporting period.

#### **A14. Capital Commitments**

There were no capital commitments for the period under review.

# TECHNODEX BHD

(Company No. 627634-A)

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report For The Second Quarter Ended 31 October 2016

### PART A - Explanatory Notes Pursuant To Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting

#### A15. Related Party Transactions

Save as disclosed below, our Group does not have any other existing and/or proposed material related party transactions or other subsisting contracts or arrangement entered into by our Group which involved the interest, direct or indirect, of the Directors, Major Shareholders of our Company and/or persons connected to them as defined under the ACE Market Listing Requirements of Bursa Securities that transpired during the period from 1 August 2016 to 31 October 2016 and the current financial period ending 31 October 2016:

Transacting Parties	Nature of Interest	Company in Technodex Bhd Group involved in the RPT	Nature of Transactions	Transaction value	
				Current reporting quarter 1/8/16 to 31/10/16 RM'000	Current financial period-to-date 1/5/16 to 31/10/16 RM'000
Arifin & Partners	Steven Wong Chin Fung, a Director of Technodex Bhd also is a partner of Arifin & Partners	Technodex Bhd	Legal fee for proposed acquisition of additional 42% shares of Idealseed Resources Sdn Bhd and 50% shares of Surfstek Resources (R&D) Sdn Bhd	61	61

# TECHNODEX BHD

(Company No. 627634-A)

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report For The Second Quarter Ended 31 October 2016

### PART B. - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET

#### B1. Review of Performance

RM'000	INDIVIDUAL QUARTER ENDED		VARIANCE	
	31/10/2016	31/10/2015	RM'000	%
	Unaudited	Audited		
Revenue	15,266	6,410	8,856	138
Profit before Tax	1,170	292	879	301

The Group recorded a revenue of RM15.266 million for the current quarter ended 31 October 2016, representing an increase of 138% as compared to RM6.410 million recorded in the preceding year corresponding quarter ended 31 October 2015. The increase was mainly attributable to the consolidation of the revenue from the following segments to the total revenue of the Group during the quarter ended 31 October 2016:-

- i) E-commerce - RM2.1 million
- ii) Application Support & Services & Hardware - RM7.772 million

Concurrently, the Group's profit before tax (PBT) for the current quarter ended 31 October 2016 was RM1.170 million, an increase of 301% as compared to RM0.292 million recorded in the preceding year corresponding quarter ended 31 October 2015. The increase in PBT was mainly due to the increase in revenue during the period under review.

#### B2. Variation of Results against Preceding Quarter

	INDIVIDUAL QUARTER ENDED		Variance	
	Current Quarter	Preceding Quarter	RM'000	%
	31/10/2016	31/7/2016		
	RM'000	RM'000		
Revenue	15,266	7,209	8,057	112
Profit before Tax	1,170	1,084	86	8

Revenue in the quarter under review has increased by 112% from RM7.209 million to RM15.266 million as compared to the previous quarter. The PBT increased by 8% from RM1.084 million to RM1.170 million due to sales of high value product in Application Support & Services & Hardware segment.

# TECHNODEX BHD

(Company No. 627634-A)

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report For The Second Quarter Ended 31 October 2016

### PART B. - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET

#### B3. Commentary on Prospects

The Group is positioned to weather the economic uncertainties by focusing in growth strategy which focuses on a prudent and cohesive expansion in activities closely correlated with the Group's core competencies. In anticipation of the impending economic slowdown, the Group will engage in the development of new ICT products (vertical solutions) and services, targeting at the government sector, financial institutions and property industries. The new products and services will allow the Group to penetrate into new market space that in turns will bring forth new income streams to the Group.

The Group is confident to perform satisfactorily amidst the economic uncertainty by taking pragmatic and well strategised action plans towards maintaining financial performance of the Group.

#### B4. Profit Forecast and Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in any public document.

#### B5. Taxation

	Current Quarter	Cumulative Quarter Ended
	31/10/2016	31/10/2016
RM'000	Unaudited	Unaudited
Income tax		
- Current provision	29	234
- (Over)/ under provision of tax in prior years	-	-
Total income tax expenses	29	234

The subsidiaries income taxes were calculated at the Malaysian statutory tax rate of 24% or 25% of the estimated assessable profit for the period.

The effective tax rate of the Group for the current and previous corresponding quarters were higher than the statutory tax rate of the respective year principally due to certain expenses which were not deductible for tax purposes.

# TECHNODEX BHD

(Company No. 627634-A)

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report For The Second Quarter Ended 31 October 2016

### B6. Corporate Proposals

The Board of Directors of the Company had on 2 November 2016 announced that the Company proposed to undertake the following:-

- (i) Proposed acquisition of an additional 42% equity interest by the Company in Idealseed Resources Sdn Bhd for a total purchase consideration of RM2,677,500 to be satisfied via the issuance of 13,387,500 ordinary shares of RM0.10 each in TDEX (“TDEX Shares”) at the issue price of RM0.20 per TDEX Share ; and
- (ii) Proposed acquisition of the remaining 50% equity interest in Surfstek Resources (R&D) Sdn Bhd by the Company for a total purchase consideration of RM13,455,000 to be satisfied via the issuance of 67,275,000 TDEX Shares at the issue price of RM0.20 per TDEX Share

(collectively referred to as the “Proposed Acquisitions”).

The listing application in relation to the Proposed Acquisitions has been submitted to Bursa Malaysia Securities Berhad (“Bursa Securities”) on 30 November 2016 and is pending the approval of Bursa Securities.

### B7. Borrowings and Debt Securities

Details of the Group’s borrowings as at 31 October 2016 are as follows:

	As at 31/10/2016	As at 31/10/2015
	(RM’000)	(RM’000)
<b>Secured borrowings:-</b>		
<b>Current:</b>		
Hire Purchase Payable	1,016	623
	<b>1,016</b>	<b>623</b>
<b>Non-Current:</b>		
Hire Purchase Payable	2,577	-
	<b>2,577</b>	<b>-</b>
<b>Total</b>	<b>3,593</b>	<b>623</b>

### B8. Material Litigation

There was no material litigation as at the date of this report.

### B9. Dividend

The Board of Directors does not recommend any dividend for the current quarter under review and the financial year-to-date.

# TECHNODEX BHD

(Company No. 627634-A)

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report For The Second Quarter Ended 31 October 2016

### PART B. - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET

#### B10. Earnings per Share

The basic earnings per share is calculated based on Group's net profit attributable to the owners of the parent of approximately RM0.073 million for the current quarter under review and net profit attributable to the owners of RM0.142 million for the current year-to-date, divided by the weighted average number of ordinary shares of RM0.10 each in issue for the current quarter and cumulative year to date of 412,933,290 and 399,804,760 as follows:-

	Current quarter	Current year-to-date
	31/10/2016	31/10/2016
	Unaudited	Unaudited
Net profit/ (loss) attributable to ordinary equity holders of the parent (RM'000)	73	142
Weighted Average Number of Ordinary Shares in issue of RM0.10 each	412,933,290	399,804,760
Basic (loss)/ earnings per share (sen)	0.02	0.04
Weighted Average Number of Ordinary Shares after conversion of all outstanding warrants	497,599,640	484,471,110
Diluted (loss)/ earnings per share (sen)	0.01	0.03

# TECHNODEX BHD

(Company No. 627634-A)

(Incorporated in Malaysia)

## Unaudited Quarterly Financial Report For The Second Quarter Ended 31 October 2016

### PART B. - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET

#### B11. Disclosure of Realised and Unrealised earnings

The breakdown of the retained profits of the Group as at 31 October 2016, into realised and unrealised profits/losses, pursuant to the directive, is as follows:

	As at 31/10/2016 Unaudited RM'000
Total (accumulated loss)/retained earnings of the Company and its subsidiary companies:	
- realised	(13,442)
Total share of loss of an associate:	
- realised	-
	(13,442)
Less: Consolidation adjustments	-
Group's retained profits/ (Loss) as per consolidated financial statements	(13,442)

The determination of realised and unrealised profits or losses is compiled based on Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities ACE Market Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010. The disclosure of realised and unrealised profits/losses above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

#### B12 Status of Utilisation of Proceeds

Status of utilisation of Proceeds derived from the private placement of 37,539,390 shares by the Company as at 31 October 2016 is as follow:-

	Proposed Utilisation	Actual Utilisation	Unutilised Proceed	Timeframe for the utilisation of proceed
	RM'000	RM'000	RM'000	
Working capital	2,271	(1,098)	1,173	Within 12 months
Business development expenditure	1,554	(83)	1,471	Within 12 months
Expenses in relation to the Private Placement	117	117	-	Upon completion
Total	3,942	(1,064)	2,644	

\* In the event that no suitable investment projects are identified, the entire amount will be utilised for working capital purpose.