

WMG HOLDINGS BHD.

(Company no. 1166985-X)

(Incorporated in Malaysia)

Unaudited Interim Financial Statements

For The Third Quarter Ended 30 September 2017

WMG HOLDINGS BHD. (1166985-X)

Interim financial statements for the third quarter ended 30 September 2017

Index	page
Condensed Consolidated Statement of Comprehensive Income	3
Condensed Consolidated Statement of Financial Position	4
Condensed Consolidated Statement of Changes in Equity	5
Condensed Consolidated Statement of Cash flows	6 - 7
Notes to the interim financial statements	8 – 15
Additional information required by the Bursa Malaysia Securities Berhad	16 - 18
Authorisation for issue of the interim financial statements	18

Condensed Consolidated Statement of Comprehensive Income

	Note	Individual Quarter		Financial Year-to-date	
		3 months ended		9 months ended	
		30/09/2017	30/09/2016	30/09/2017	30/09/2016
		RM'000	RM'000	RM'000	RM'000
Revenue	9	11,442	N/A	11,442	N/A
Cost of sales		(8,194)	N/A	(8,194)	N/A
Gross profit		3,248	N/A	3,248	N/A
Other income		428	N/A	428	N/A
Other expenses		(341)	N/A	(341)	N/A
Finance costs		(969)	N/A	(969)	N/A
Distribution costs		(171)	N/A	(171)	N/A
Administrative expenses		(3,624)	N/A	(3,624)	N/A
Loss from operations		(1,429)	N/A	(1,429)	N/A
Interest on fixed deposits		338	N/A	338	N/A
Exceptional items	10	(16,685)	N/A	(16,685)	N/A
Loss before tax	10	(17,776)	N/A	(17,776)	N/A
Income tax expense	12	(175)	N/A	(175)	N/A
Loss for the period		(17,951)	N/A	(17,951)	N/A
Other comprehensive income, net of tax:		-	N/A	-	N/A
Total comprehensive loss for the period		(17,951)	N/A	(17,951)	N/A
Loss attributable to owners of the Company		(17,951)	N/A	(17,951)	N/A
Total comprehensive loss attributable to owners of the Company		(17,951)	N/A	(17,951)	N/A
Loss per share attributable to owners of the Company:	13	Sen	Sen	Sen	Sen
- Basic/Diluted		(4.73)	N/A	(4.73)	N/A

The condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

WMG HOLDINGS BHD. (1166985-X)

Interim financial statements for the third quarter ended 30 September 2017

Condensed Consolidated Statement of Financial Position

ASSETS	Note	AS AT 30/09/2017 RM'000	AS AT 31/12/2016 RM'000
Non-current Assets			
Property, plant and equipment		59,314	-
Land held for development	14	123,575	-
Investment properties		22,778	-
Other investment		115	-
Deferred tax assets		2,259	-
		<u>208,041</u>	<u>-</u>
Current Assets			
Property development costs	15	74,026	-
Inventories	16	8,832	-
Trade and other receivables		30,864	-
Income tax refundable		4,506	-
Investment securities		792	-
Other current assets		1,404	-
Cash and bank balances		54,373	*
		<u>174,797</u>	<u>*</u>
Total Assets		<u>382,838</u>	<u>*</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	17	604,365	*
Reserves		(331,326)	(15)
Accumulated losses		(17,966)	-
Total Equity		<u>255,073</u>	<u>(15)</u>
Non-current Liabilities			
Deferred tax liabilities		3,801	-
Borrowings	18	95	-
		<u>3,896</u>	<u>-</u>
Current Liabilities			
Borrowings	18	97,942	-
Trade and other payables		25,925	-
Income tax payable		2	-
Other current liabilities		-	15
		<u>123,869</u>	<u>15</u>
Total Liabilities		<u>127,765</u>	<u>15</u>
Total Equity and Liabilities		<u>382,838</u>	<u>*</u>
Net assets per share attributable to owners of the Company (RM)		0.60	-

Note: * represents RM2.

The condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Changes in Equity

	< ----->						
	Attributable to owners of the Company						
	<----- Non-distributable ---->						
	Ordinary shares	RCPS	ICPS	Capital Reserves	Merger deficit	Accumulated Losses	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 Jan 2016	*	N/A	N/A	N/A	N/A	N/A	*
Total comprehensive loss for the period	N/A	N/A	N/A	N/A	N/A	N/A	N/A
At 30 September 2016	*	N/A	N/A	N/A	N/A	N/A	*
At 1 Jan 2017	*	-	-	-	-	(15)	(15)
Total comprehensive loss for the period	-	-	-	-	-	(17,951)	(17,951)
Transactions with owners:							
Shares issued for:							
- Acquisition of Target Companies	120,000	180,000	211,282				511,282
- Share Exchange with Tekala	93,083						93,083
Acquisition of Target Companies				(19,221)	(308,606)		(327,827)
Share Exchange with Tekala				(3,499)			(3,499)
At 30 September 2017	213,083	180,000	211,282	(22,720)	(308,606)	(17,966)	(255,073)

Notes: * represents RM2.

The condensed consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Cash Flows

	Note	9 months ended	
		30/09/2017 RM'000	30/09/2016 RM'000
Cash flows from operating activities			
Loss before tax		(17,776)	N/A
Adjustments for:			
Depreciation		446	N/A
Finance costs		969	N/A
Investment income		(7)	N/A
Interest income		(338)	N/A
Gain from disposal of property, plant and equipment		(199)	N/A
Unrealised loss on foreign exchange		3	N/A
Goodwill on consolidation		15,151	N/A
		<u>16,025</u>	<u>N/A</u>
Operating loss before working capital changes		(1,751)	N/A
Increase in property development costs		(3,069)	N/A
Increase in land held for development		(1,766)	N/A
Decrease in inventories		2,360	N/A
Increase in receivables		(3,518)	N/A
Decrease in other current assets		313	N/A
Decrease in payables		(3,980)	N/A
Decrease in other current liabilities		(1,159)	N/A
Cash flows used in operations		<u>(12,570)</u>	<u>N/A</u>
Interest received		132	N/A
Income tax refunded		124	N/A
Income tax paid		(152)	N/A
Net cash flows used in operating activities		<u>(12,466)</u>	<u>N/A</u>
Cash flows from investing activities			
Subsidiaries acquired		604,365	N/A
Shares issued to settle purchase consideration		(604,365)	N/A
Cash outflows for acquisitions of subsidiaries	2	-	N/A
Investment income		7	N/A
Increase in investment securities		(7)	N/A
Increase in deposit pledged		(52)	N/A
Interest income received		206	N/A
Increase in investment properties		(3,703)	N/A
Proceeds from disposal of plant and equipment		200	N/A
Purchase of property, plant and equipment		(47)	N/A
Net cash flows used in investing activities		<u>(3,396)</u>	<u>N/A</u>

WMG HOLDINGS BHD. (1166985-X)

Interim financial statements for the third quarter ended 30 September 2017

Condensed Consolidated Statement of Cash Flows (Cont'd)

	Note	9 months ended	
		30/09/2017 RM'000	30/09/2016 RM'0000
Cash flows from financing activities			
Proceeds from bankers' acceptances		3,230	N/A
Repayment of bankers' acceptances		(1,854)	N/A
Proceeds from revolving credits		20,000	N/A
Repayment of revolving credits		(24)	N/A
Repayment of obligations under finance leases		(32)	N/A
Finance costs paid		(969)	N/A
Net cash flows from financing activities		<u>20,351</u>	<u>N/A</u>
Net increase in cash and cash equivalents		4,489	N/A
Cash and cash equivalents at			
- beginning of financial period		*	N/A
- acquisitions of subsidiaries		** 47,214	N/A
Cash and cash equivalents at end of financial period	19	<u>51,703</u>	<u>N/A</u>

Notes: * represents RM2

** this amount is stated before deducting the payment to be effected as disclosed in Note 2 to the Interim Financial Statements.

The condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

(A) Notes to the interim financial statements

1) Basis of preparation

WMG Holdings Bhd. (WMG) is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad. WMG was a special purpose vehicle incorporated on 25 November 2015 to undertake a corporate exercise and was listed on 31 July 2017.

The unaudited third quarter report ended 30 September 2017 is the first set of quarterly report prepared on a group basis by the Company after its completion of acquisitions of subsidiaries in July 2017 and the first set of annual audited consolidated financial statements of WMG since its incorporation will be prepared for the financial year ending 31 December 2017.

The unaudited condensed consolidated interim financial statements for the period ended 30 September 2017 have been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These unaudited condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The explanatory notes to the interim financial report provide an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2016.

2) Acquisitions of subsidiaries

During the third quarter under review, the Company completed the acquisitions of subsidiaries namely the acquisitions of the Target Companies and the Share Exchange with Tekala (Transactions) as previously disclosed.

Cumulative expenses incurred on the Transactions amounted to RM8.17 million (including expenses of RM6.64 million taken up by Tekala prior to the reverse takeover by the Company).

WMG HOLDINGS BHD. (1166985-X)

Interim financial statements for the third quarter ended 30 September 2017

The unaudited proforma effects of the Transactions (pending determination and payment of the amount (Said Amount)) as noted below) are as follows:-

	<u>Acquisitions of Target Companies</u> RM'000	<u>Share Exchange with Tekala</u> RM'000	<u>Total</u> RM'000
Assets			
Non-current assets			
Property, plant and equipment	6,391	53,296	59,687
Land held for property development	121,809	-	121,809
Investment Properties	19,103	-	19,103
Other Investment	-	115	115
Deferred tax assets	2,276	-	2,276
	<u>149,579</u>	<u>53,411</u>	<u>202,990</u>
Current assets			
Property development costs	70,957	-	70,957
Inventories	11,192	-	11,192
Trade and other receivables	27,038	312	27,350
Income tax refundable	4,628	-	4,628
Investment securities	133	652	785
Other current assets	1,717	-	1,717
Cash and bank balances	24,652	25,175	*49,827
	<u>140,317</u>	<u>26,139</u>	<u>166,456</u>
Total assets	<u>289,896</u>	<u>79,550</u>	<u>369,446</u>
Current liabilities			
Loans and borrowings	76,596	-	76,596
Other current liability	1,159	-	1,159
Income tax payable	4	-	4
Trade and other payables	28,546	1,340	29,886
	<u>106,305</u>	<u>1,340</u>	<u>107,645</u>
Net current assets	<u>34,012</u>	<u>24,799</u>	<u>58,811</u>
Non-current liabilities			
Deferred tax liabilities	15	3,777	3,792
Loans and borrowings	121	-	121
	<u>136</u>	<u>3,777</u>	<u>3,913</u>
Total liabilities	<u>106,441</u>	<u>5,117</u>	<u>111,558</u>
Net assets	<u>183,455</u>	<u>74,433</u>	<u>257,888</u>
Capital Reserve	(19,221)	(3,499)	(22,720)
Merger Deficit	(308,606)	-	(308,606)
Goodwill on Consolidation	-	(15,151)	(15,151)
Purchase Consideration	<u>511,282</u>	<u>93,083</u>	<u>**604,365</u>

* This includes Deposit pledged for banking facilities of RM2,613,000, excluded as cash and cash equivalents

**Purchase consideration is settled through issuance of the Company's shares

The above Said Amount, which represents profits that had accrued to the vendor of the Target Companies, will be accounted for as merger deficit when paid in the quarter the Said Amount is determined and paid to the vendor of the Target Companies by the Group.

3) Accounting Policies

The acquisition of Target Companies was accounted for using the pooling of interest method while for the Share Exchange with Tekala, WMG was identified as the acquirer and the acquisition of Tekala was accounted for by applying the acquisition method in accordance to MFRS 3: Business Combination.

The accounting policies and presentation adopted for the interim financial report are consistent with those adopted for the Proforma consolidated statements of financial position of WMG (included in the Circular/Explanatory Statement to shareholders of Tekala Corporation Berhad dated 30 May 2017); and the audited financial statements of:-

- (a) WMG which were prepared in accordance with Malaysian Financial Reporting Standards (MFRS) for the financial year ended 31 December 2016;
- (b) The Target Companies which were prepared in accordance with MFRS for the financial year ended 31 December 2016; and
- (c) Tekala which were prepared in accordance with MFRS for the financial year ended 31 March 2017.

4) Seasonality of operations

The above is not applicable.

5) Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the interim period under review.

6) Changes in estimates

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or the prior financial year that have a material effect in the interim period under review.

7) Changes in the composition of the Group

During the interim period under review, the Company completed the acquisitions of subsidiaries as disclosed in Note 2 to the Interim Financial Statements.

8) Share capital and treasury shares

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the interim period under review except for the issuance of shares by the Company for the acquisitions of subsidiaries as disclosed in Note 2 to the Interim Financial Statements as follows:

- (a) 426,167,149 ordinary shares at an issue price of RM0.50 each;
- (b) 180,000,000 10-year redeemable convertible preference shares (RCPS) at an issue price of RM1.00 each; and
- (c) 211,281,792 10-year irredeemable convertible preference shares (ICPS) at an issue price of RM1.00 each.

9) Segment information
Business Segments

	9 months ended 30 September 2017				
	Property development	Trading of building materials	Investment Holding	Elimination/ adjustment	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External	7,506	3,936		-	11,442
Inter-segment	-	-		-	-
Total	7,506	3,936		-	11,442
Results					
Depreciation	146	10	290	-	446
Interest on fixed deposits	90	78	170	-	338
Other income	134	5	289	-	428
Other expenses	(60)	-	401	-	341
Exceptional items	-	-	16,685	-	16,685
Segment profit/(loss)	131	(39)	(18,043)	-	(17,951)

10) Loss before tax

Included in the loss before tax are the following items:

	Individual Quarter		Financial Year-to-date	
	3 months ended		9 months ended	
	30/09/2017	30/09/2016	30/09/2017	30/09/2016
	RM'000	RM'000	RM'000	RM'000
(a) Interest income	338	N/A	338	N/A
(b) Other income including investment income	428	N/A	428	N/A
(c) Interest expenses	969	N/A	969	N/A
(d) Depreciation and amortization	446	N/A	446	N/A
(e) Provision for and write off of receivables	-	N/A	-	N/A
(f) Provision for and write off of inventories	-	N/A	-	N/A
(g) Gain/(loss) on disposal of quoted or unquoted investments or properties	-	N/A	-	N/A
(h) Impairment of assets	-	N/A	-	N/A
(i) Foreign exchange gain/(loss)	-	N/A	-	N/A
(j) Gain or loss on derivatives	-	N/A	-	N/A
(k) Exceptional items				
- Goodwill on share exchange with Tekala	15,151	-	15,151	-
- Stamp duties on acquisition of Target Companies	1,534	-	1,534	-

WMG HOLDINGS BHD. (1166985-X)

Interim financial statements for the third quarter ended 30 September 2017

11) Events after the reporting period

There were no material events subsequent to the end of the interim period.

12) Income tax expense

	Individual Quarter 3 months ended		Financial Year-to-date 9 months ended	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
	RM'000	RM'000	RM'000	RM'000
Current income tax	175	-	175	-

The Group incurred taxation for the current quarter and period mainly due to losses of certain subsidiaries which cannot be set off against taxable profits of other subsidiaries within the Group.

13) Loss per share

	Individual Quarter 3 months ended		Financial Year-to-date 9 months ended	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
(a) Basic loss per share				
Loss attributable to owners of the Company (RM)	(17,951)	-	(17,951)	-
Weighted average number of ordinary shares in issue	379,894	-	379,894	-
Basic loss per share (sen)	(4.73)	-	(4.73)	-
(b) Diluted loss per share				
Loss attributable to owners of the Company (RM)	(17,951)	-	(17,951)	-
Adjusted weighted average number of ordinary shares in issue and issuable	379,894	-	379,894	-
Diluted loss per share (sen)	(4.73)	-	(4.73)	-

The Company has no potential ordinary shares in issue as at the end of financial period and therefore, basic and diluted loss per share are equal.

14) Land held for Development

	As at 30.09.2017 RM'000	As at 31.12.2016 RM'000
At beginning of year	-	-
At acquisition of Target Companies	121,809	-
Additions	1,766	-
At end of period	123,575	-

As at 30.09.2017, the Group has a total land bank of approximately 648 acres, comprising 442 acres in Sandakan and 206 acres in Kota Kinabalu, Sabah, Malaysia.

15) Property development costs

	As at 30.9.2017 RM'000	As at 31.12.2016 RM'000
Balance at cost	74,026	-
	Long-term leasehold RM'000	Development expenditure RM'000
At 30.9.2017		Total RM'000
Cumulative property development cost		
At 01.01.2017	-	-
At acquisition of Target Companies	14,882	75,869
Cost incurred during the period	-	5,033
At 30.9.2017	14,882	80,902
Cumulative costs recognized in statement of comprehensive income		
At 01.01.2017	-	-
At acquisition of Target Companies	(1,222)	(18,572)
Recognised during the period	(100)	(1,864)
At 30.9.2017	(1,322)	(20,436)
Property development costs at 30.9.2017	13,560	60,466
	74,026	

As at 30.09.2017, the Group has 2 ongoing projects namely the commercial project, Sejati Walk at RM28.04 million, with percentage of completion of 87% and the residential project, Sri Indah Kondominium at RM5.73 million, with percentage of completion of 4%, totalling RM33.77 million and the projects to be launched amounted to RM40.26 million.

16) Inventories

	As at 30.9.2017 RM'000	As at 31.12.2016 RM'000
Completed properties	7,635	-
Trading inventories	1,197	-
Balance at cost	8,832	-

WMG HOLDINGS BHD. (1166985-X)

Interim financial statements for the third quarter ended 30 September 2017

17) Share capital

	As at 30.09.2017 RM'000	As at 31.12.2016 RM'000
Balance, at end of period	<u>604,365</u>	<u>*</u>

Note: *represents RM2

The share capital of the Company has been increased from RM2 as at 31.12.2016 to RM604,365,368 as at 30.09.2017 as follows:-

	No. of Ordinary Shares	Share Capital RM
As at 01.01.2017	20	2
Issued pursuant to the acquisition of Target Companies	240,000,000	120,000,000
Issued pursuant to the Tekala Share Exchange	186,167,149	93,083,574
	<u>426,167,169</u>	<u>213,083,576</u>
	No. of Preference Shares	Share Capital RM
As at 01.01.2017	-	-
ICPS, issued pursuant to the acquisition of Target Companies	211,281,792	211,281,792
RCPS, issued pursuant to the acquisition of Target Companies	180,000,000	180,000,000
	<u>391,281,792</u>	<u>391,281,792</u>
As at 30.09.2017		<u>604,365,368</u>

18) Borrowings

The Group's borrowings and debt securities are as follows:

	As at third quarter ended 30.9.2017			As at third quarter ended 30.9.2016		
	Long Term	Short Term	Total borrowings	Long Term	Short Term	Total borrowings
Secured	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Bankers' acceptances (BA)	-	3,519	3,519	N/A	N/A	N/A
Revolving credits (RC)	-	94,300	94,300	N/A	N/A	N/A
Obligations under finance leases	95	124	219	N/A	N/A	N/A
	95	97,943	98,038			

The interest rates for BA and RC range from 1% to 2% above the cost of fund of the banks.

There are no borrowings denominated in foreign currency.

19) Cash and Cash Equivalents

	As at 30.09.2017 RM'000	As at 30.09.2016 RM'000
Fixed deposits	28,351	N/A
Cash and bank balances	26,022	N/A
	<hr/> 54,373	<hr/> N/A
Less: deposits pledged for banking facilities	(2,670)	N/A
	<hr/> 51,703	<hr/> N/A

20) Contingencies

There were no changes in contingent liabilities since the last balance sheet date, 31 December 2016 to 24 November 2017, the latest practicable date which is not earlier than 7 days from the issue of this interim financial statements.

21) Capital Commitments

	As at 30.09.2017 RM'000	As at 31.12.2016 RM'000
Approved and contracted for:		
- Investment properties	55,431	-
	<hr/> 55,431	<hr/> -

22) Dividends

For the period ended 30 September 2017, the Directors do not recommend payment of dividend. (2016:Nil).

The total dividend for the current financial year is Nil (2016: Nil).

23) Comparative figures

Comparative figures of the preceding period/year will be presented when available commencing from the 3rd quarter of year 2018 as the Group was only formed in July 2017 upon the acquisitions of subsidiaries by the Company.

(B) Additional information required by Bursa Malaysia Securities Berhad's Listing Requirements**1. Performance review**

For the current quarter and period ended 30 September 2017, the Group recorded revenue of RM11.44 million and loss before tax of RM17.78 million as shown below.

	Individual Quarter				Financial Year to date			
	3 months ended				9 months ended			
	30.9.2017	30.9.2016	Changes		30.9.2017	30.9.2016	Changes	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	11,442	N/A	N/A	N/A	11,442	N/A	N/A	N/A
Gross profit	3,248	N/A	N/A	N/A	3,248	N/A	N/A	N/A
Loss Before Interest and Tax	(16,807)	N/A	N/A	N/A	(16,807)	N/A	N/A	N/A
Loss Before Tax	(17,776)	N/A	N/A	N/A	(17,776)	N/A	N/A	N/A
Loss After Tax	(17,951)	N/A	N/A	N/A	(17,951)	N/A	N/A	N/A
Loss attributable to ordinary equity holders of the Company	(17,951)	N/A	N/A	N/A	(17,951)	N/A	N/A	N/A

There were no launches of new property development projects by the Group during the period. The Group managed to generate a total revenue for the period of RM11.44 million comprising RM7.50 million from its property development and RM3.94 million from its trading of building materials.

Sales of its commercial project, Sejati Walk amounted to RM3.31 million, representing approximately 44% of the total sale of RM7.50 million and the balance of RM4.19 million (including property management fee of RM49,500) was from sales of residential properties.

Sales of building materials to contractors engaged by the Group for its property development projects amounted to RM1.68 million, representing at about 43% of the total sales of RM3.94 million.

The net operating profit of RM2.53 million which represents 22% of the Group's revenue is not sufficient to cover the administrative expenses of RM3.62 million which represents 32% of the Group's revenue resulting in a loss before exceptional items of RM1.09 million. After taking into account the non-recurring charges (included as exceptional items) incurred on the acquisitions of subsidiaries totalling RM16.68 million, the Group incurred a loss before tax of RM17.77 million.

The net operating profit of RM2.53 million is arrived at after deducting the net expense of RM0.72 million from the gross profit of RM3.25 million. The net expense comprises the following items namely other expenses RM0.34 million, finance costs RM0.97 million and distribution costs RM0.17 million less other income RM0.43 million and interest on fixed deposits RM0.33 million.

Administrative expenses of RM3.62 million comprised mainly fixed and semi-fixed costs namely staff costs, directors' remuneration, overheads and office expenses (including depreciation RM0.15 million) of approximately RM1.32 million, RM1.02 million and RM1.28 million respectively.

2. Comments on material changes in profit/(loss) before taxation

The Group recorded a loss before tax of RM2.62 million for the current quarter under review as follows:-

	Current quarter	Immediate preceding quarter	Changes	
	30.9.2017	30.6.2017	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	11,442	N/A	N/A	-
Gross profit	3,248	N/A	N/A	-
Loss Before Interest and Tax	(16,807)	N/A	N/A	-
Loss Before Tax	(17,776)	N/A	N/A	-
Loss After Tax	(17,951)	N/A	N/A	-
Loss attributable to ordinary equity holders of the Company	(17,951)	N/A	N/A	-

There was no comparison of the Group's results for the immediate preceding quarter as the Group's results were consolidated after the completion of the acquisitions of subsidiaries in July 2017.

3. Commentary on Prospects

As at 30 September 2017, the Groups' unbilled sales and gross development value of its ongoing projects amounted to RM33.70 million and RM248.65 million respectively.

After consideration of the factors influencing the Group's prospects including the Group's revenue outlook, the financing conditions faced by potential buyers and the property market sentiments, the Board expects the Group's performance for the remaining period of the financial year to be challenging.

4. Profits forecast and profit guarantee

The above is not applicable as no profit forecast and profit guarantee were provided.

5. Income tax expense

This is stated in note 12 to the interim financial report.

6. Corporate proposals

There were no corporate proposals announced but not completed as at 24 November 2017, the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial statements.

7. Group borrowings and debt securities

This is stated in note 18 to the interim financial report.

8. Changes in material litigation

The Group did not have any material litigation as at 24 November 2017, the latest practicable date which is not earlier than 7 days from the date of issue of these interim financial statements.

9. Dividends

This is stated in note 22 to the interim financial statements.

WMG HOLDINGS BHD. (1166985-X)

Interim financial statements for the third quarter ended 30 September 2017

10. Earnings/(loss) per share

This is stated in note 13 to the interim financial statements.

11. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements of the Company for the preceding financial year ended 31 December 2016 was not subject to any qualification.

12. Profit/(loss) before tax

Disclosure of items as required under Appendix 9B, Part A(16) of Bursa Malaysia Securities Berhad listing requirements is stated in note 10 to the interim financial statements.

13. Disclosure of derivatives

The Group did not enter into any derivatives during the period ended 30 September 2017 or the previous financial year ended 31 December 2016.

14. Disclosure of gains/losses arising from fair value changes of financial liabilities

The Group did not have any financial liabilities measured at fair value through profit or loss as at 30 September 2017 and 31 December 2016.

15. Breakdown of realised and unrealised profits or losses

The above disclosure in the format prescribed by Bursa Malaysia Securities Bhd is as follows:

	As at 30.09.2017 RM'000	As at 31.12.2016 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(17,966)	(15)
- Unrealised	-	-
	(17,966)	(15)
Less: Consolidation adjustments	-	-
Total Group accumulated losses as per consolidated accounts	(17,966)	(15)

(C) Authorisation for issue of interim financial statements

The Board of Directors of the Company had authorised this unaudited interim financial statements for issue on 29 November 2017.