

**M3 TECHNOLOGIES (ASIA) BERHAD**

(Incorporated in Malaysia - Company No. 482772-D)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the twelve (12) months ended 30 JUNE 2010

(THE FIGURES HAVE NOT BEEN AUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	2010 Quarter Ended 30-Jun-10 RM'000	2009 Quarter Ended 30-Jun-09 RM'000	2010 Year to date 30-Jun-10 RM'000	2009 Year to date 30-Jun-09 RM'000
Revenue	11,541	9,549	40,272	34,984
Operating Expenses	(11,246)	(6,906)	(36,693)	(26,740)
Other Operating Income	-	-	-	-
Profit from Operations	295	2,643	3,579	8,244
Finance costs, net	34	90	135	375
Profit before taxation	329	2,733	3,714	8,619
Taxation	(243)	(761)	(1,351)	(2,432)
Profit after taxation	86	1,972	2,363	6,187
Attributable to:				
Equity holders of the Company	(94)	1,673	1,724	5,343
Minority interests	180	299	639	844
Profit for the period	86	1,972	2,363	6,187
Earnings per share				
Basic / Diluted (sen)	(0.04)	1.03	0.73	3.27

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30th June 2009)

**M3 TECHNOLOGIES (ASIA) BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at 30 June 2010 & 30 June 2009**

	<b>(UNAUDITED)</b>	<b>(AUDITED)</b>
	<b>As at</b>	<b>As at</b>
	<b>30-Jun-10</b>	<b>30-Jun-09</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current Assets</b>		
Plant and equipment	3,591	4,438
Intangible assets	994	965
Deferred tax asset	109	114
Goodwill on consolidation	13,034	13,167
	<u>17,728</u>	<u>18,684</u>
<b>Current Assets</b>		
Trade receivables	11,344	9,910
Other receivables	2,542	1,463
Inventory	3,637	1,326
Cash and bank balances	17,699	22,115
	<u>35,222</u>	<u>34,814</u>
<b>Current Liabilities</b>		
Trade payables	3,748	2,205
Other payables	2,312	2,498
Tax payable	350	933
	<u>6,410</u>	<u>5,636</u>
<b>Net Current Assets</b>	28,812	29,178
	<u>46,540</u>	<u>47,862</u>
<b>Shareholders' Funds</b>		
Share capital	16,352	16,352
Treasury shares	(309)	(65)
Share premium	2,352	2,352
Retained profit	26,012	26,717
Foreign exchange reserve	(755)	(97)
	<u>43,652</u>	<u>45,259</u>
Minority interest	2,683	2,433
	<u>46,335</u>	<u>47,692</u>
Deferred tax liabilities	205	170
	<u>46,540</u>	<u>47,862</u>
<b>Net assets per share (sen)</b>	28.34	29.17
<b>Net assets per share attributable to ordinary equity holders of the parent</b>	26.70	27.68

**(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2009)**

**M3 TECHNOLOGIES (ASIA) BERHAD**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
For the twelve (12) months ended 30 June 2010 & 30 June 2009

	<u>30-Jun-10</u> RM'000	<u>30-Jun-09</u> RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	3,714	8,619
Adjustment for:		
Amortisation and depreciation	2,568	2,963
Loss on disposal of fixed assets		(1)
Plant and equipment written off	48	1
Short-term accumulating compensated absences	-	44
Net unrealised loss on foreign exchange	102	41
Operating profit before working capital changes	<u>6,432</u>	<u>11,667</u>
Changes in working capital:		
(Decrease)/increase in receivables	(2,513)	1,182
Decrease in inventories	(2,311)	(1,326)
Increase in payables	1,357	37
Cash generated from operating activities	<u>2,965</u>	<u>11,560</u>
Taxes paid	<u>(1,649)</u>	<u>(2,585)</u>
Net cash generated from operating activities	<u>1,316</u>	<u>8,975</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of plant and equipment	(880)	(463)
Product development expenditure	(1,132)	(1,036)
Proceeds from disposal of plant and equipment	-	3
Net cash used in investing activities	<u>(2,012)</u>	<u>(1,496)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Purchase of treasury shares	(244)	(65)
Dividend paid to minority interest of a subsidiary	(326)	(117)
Dividend paid to shareholders of the Company	(2,429)	(3,270)
Additional investment in subsidiary	98	-
	-	-
Net cash used in from financing activities	<u>(2,901)</u>	<u>(3,452)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(3,597)	4,027
EFFECT OF EXCHANGE RATE CHANGES	(819)	90
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	22,115	17,998
CASH AND CASH EQUIVALENTS AT QUARTER END	<u>17,699</u>	<u>22,115</u>

The cash and cash equivalents at beginning of year and quarter end represents cash on hand and at bank.

**(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2009)**

**M3 TECHNOLOGIES (ASIA) BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**For the twelve (12) months ended 30 June 2010 & 30 June 2009**

	< --- Attributable to Equity Holders of the Parent ---- >					Minority Interest	Total	
	Share Capital	Share Premium	Treasury Shares	Foreign Exchange Reserve	Retained Profit			Total
	RM'000	RM'000	RM'000	RM'000	RM'000			RM'000
<b>Twelve (12) months ended 30 June 2010</b>								
Balance at 1 July 2009	16,352	2,352	(65)	(97)	26,717	45,259	2,433	47,692
Currency translation differences not recognised in income statement	-	-	-	(658)	-	(658)	(161)	(819)
Net profit for the twelve (12) months period ended 30 June 2010	-	-	-	-	1,724	1,724	639	2,363
Purchase of treasury shares	-	-	(244)	-	-	(244)	-	(244)
Dividend paid to minority interest of a subsidiary	-	-	-	-	-	-	(326)	(326)
Contribution to share capital of subsidiaries by minority interest	-	-	-	-	-	-	98	98
Dividend paid to shareholders of the Company	-	-	-	-	(2,429)	(2,429)	-	(2,429)
Balance at 30 June 2010	<u>16,352</u>	<u>2,352</u>	<u>(309)</u>	<u>(755)</u>	<u>26,012</u>	<u>43,652</u>	<u>2,683</u>	<u>46,335</u>
<b>Twelve (12) months ended 30 June 2009</b>								
Balance at 1 July 2008	16,352	2,352	-	(762)	24,645	42,587	1,768	44,355
Currency translation differences not recognised in income statement	-	-	-	665	-	665	(62)	603
Net profit for the twelve (12) months period ended 30 June 2009	-	-	-	-	5,343	5,343	844	6,187
Dividend paid to minority interest of a subsidiary	-	-	-	-	-	-	(117)	(117)
Dividend paid to shareholders of the Company	-	-	-	-	(3,271)	(3,271)	-	(3,271)
Purchase of treasury shares	-	-	(65)	-	-	(65)	-	(65)
Balance at 30 June 2009	<u>16,352</u>	<u>2,352</u>	<u>(65)</u>	<u>(97)</u>	<u>26,717</u>	<u>45,259</u>	<u>2,433</u>	<u>47,692</u>

**(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2009 )**