

**M3 TECHNOLOGIES (ASIA) BERHAD (482772-D)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**For the nine (9) months ended 31 March 2013**

	<b>Current quarter</b>		<b>Cumulative quarter</b>	
	<b>3 months ended</b>		<b>9 months ended</b>	
	<b>31-Mar-13</b>	<b>31-Mar-12</b>	<b>31-Mar-13</b>	<b>31-Mar-12</b>
	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>	12,751	14,666	39,317	42,348
Operating Expenses	(12,365)	(12,846)	(37,803)	(36,406)
<b>Profit from Operations</b>	<u>386</u>	<u>1,820</u>	<u>1,514</u>	<u>5,942</u>
Net interest income	24	66	90	170
Share of results of jointly controlled entity	(2)	(11)	(18)	(21)
<b>Profit before taxation</b>	<u>408</u>	<u>1,875</u>	<u>1,586</u>	<u>6,091</u>
Income tax expense	(387)	(453)	(1,251)	(1,791)
<b>Net profit for the period</b>	<u><u>21</u></u>	<u><u>1,422</u></u>	<u><u>335</u></u>	<u><u>4,300</u></u>
<b>Other comprehensive income, net of tax</b>				
Foreign currency translation differences	805	(598)	(14)	(317)
Other comprehensive income for the period, net of tax	<u>805</u>	<u>(598)</u>	<u>(14)</u>	<u>(317)</u>
<b>Total comprehensive income for the period</b>	<u><u>826</u></u>	<u><u>824</u></u>	<u><u>321</u></u>	<u><u>3,983</u></u>
<b>Attributable to:</b>				
Equity holders of the Company	(66)	987	(15)	3,340
Non-controlling interests	87	435	350	960
	<u><u>21</u></u>	<u><u>1,422</u></u>	<u><u>335</u></u>	<u><u>4,300</u></u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	715	525	179	3,158
Non-controlling interests	111	299	142	825
	<u><u>826</u></u>	<u><u>824</u></u>	<u><u>321</u></u>	<u><u>3,983</u></u>
<b>Earnings per share</b>				
Basic / Diluted (sen)	(0.04)	0.61	(0.01)	2.07

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2012 and the accompanying explanatory notes attached to these interim financial statements)

**M3 TECHNOLOGIES (ASIA) BERHAD (482772-D)**  
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**NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**For the nine (9) months ended 31 March 2013**

	<b>Current quarter</b>		<b>Cumulative quarter</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>31-Mar-13</b>	<b>31-Mar-12</b>	<b>31-Mar-13</b>	<b>31-Mar-12</b>
	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Included in the profit before tax are the following items:				
Amortisation of product development expenditure	430	281	1,236	897
Bad debts recovered	(88)	-	(296)	-
Bad debts written off	287	138	581	516
Depreciation of plant and equipment	261	347	765	911
(Gain)/loss on disposal of plant and equipment	-	-	8	-
<u>(Gain)/loss on foreign exchange translation</u>				
- Realised	16	36	(8)	113
- Unrealised	109	(43)	155	(221)
<u>Interest expense/(income)</u>				
- Interest expense	9	3	18	4
- Interest income	(33)	(69)	(108)	(174)
Plant and equipment written off	1	-	22	-
Provision for doubtful debts	19	-	19	7

There is no income/expenses in relation to the below items :

- investment income;
- gain or loss on disposal of quoted or unquoted investments or properties;
- impairment of assets;
- gain/loss on derivatives; and
- exceptional items (Otherwise disclosed).

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2012 and the accompanying explanatory notes attached to these interim financial statements)

**M3 TECHNOLOGIES (ASIA) BERHAD (482772-D)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
As at 31 March 2013

	<b>31-Mar-13</b> <b>Unaudited</b> <b>RM'000</b>	<b>30-Jun-12</b> <b>Unaudited</b> <b>RM'000</b> (Restated)	<b>1-Jul-11</b> <b>Unaudited</b> <b>RM'000</b> (Restated)
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	4,760	3,641	4,096
Intangible assets	2,779	2,275	1,190
Interest in jointly controlled entity	880	1,016	431
Deferred tax asset	-	-	108
Other receivables	49	-	-
Goodwill on consolidation	13,277	13,029	12,982
	<u>21,745</u>	<u>19,961</u>	<u>18,807</u>
<b>Current Assets</b>			
Inventories	9,850	8,458	6,951
Trade and other receivables	18,704	16,471	15,055
Income tax refundable	385	-	-
Cash and bank balances	18,719	19,240	20,169
	<u>47,658</u>	<u>44,169</u>	<u>42,175</u>
<b>TOTAL ASSETS</b>	<u>69,403</u>	<u>64,130</u>	<u>60,982</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital	17,961	16,352	16,352
Share premium	4,393	2,352	2,352
Treasury shares	(566)	(566)	(316)
Retained earnings	30,789	30,779	28,375
Foreign currency translation reserve	301	107	-
	<u>52,878</u>	<u>49,024</u>	<u>46,763</u>
<b>Non-controlling interests</b>	<u>3,904</u>	<u>4,038</u>	<u>3,091</u>
<b>Total equity</b>	<u>56,782</u>	<u>53,062</u>	<u>49,854</u>
<b>Current Liabilities</b>			
Trade and other payables	10,685	9,385	9,350
Dividend payable	-	-	810
Loans and borrowings	818	793	27
Amount due to director	-	8	-
Income tax payable	-	572	616
	<u>11,503</u>	<u>10,758</u>	<u>10,803</u>
<b>Non-current Liabilities</b>			
Loans and borrowings	963	152	35
Deferred tax liabilities	155	158	290
	<u>1,118</u>	<u>310</u>	<u>325</u>
<b>Total liabilities</b>	<u>12,621</u>	<u>11,068</u>	<u>11,128</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>69,403</u>	<u>64,130</u>	<u>60,982</u>
Net assets per share attributable to ordinary equity holders of the parent (sen)	29.86	30.46	28.60

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2012 and the accompanying explanatory notes attached to these interim financial statements)

**M3 TECHNOLOGIES (ASIA) BERHAD (482772-D)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**For the nine (9) months ended 31 March 2013**

< ----- Attributable to Equity Holders of the Parent ----- >

	Share Capital	Share Premium	Treasury Shares	Foreign Currency Translation Reserve	Retained Earnings	Total	Non-Controlling Interests	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Nine (9) months ended 31 March 2013</b>								
Balance at 1 July 2012 (Restated)	16,352	2,352	(566)	107	30,779	49,024	4,038	53,062
Total comprehensive income for the period	-	-	-	194	(15)	179	142	321
<b>Transactions with owners</b>								
Dividend paid	-	-	-	-	-	-	(251)	(251)
Increase in issued share capital	1,609	2,041	-	-	-	3,650	-	3,650
Increase in share of net assets as a result of additional investment in a subsidiary	-	-	-	-	25	25	(25)	-
Balance at 31 March 2013	17,961	4,393	(566)	301	30,789	52,878	3,904	56,782
<b>Nine (9) months ended 31 March 2012</b>								
Balance at 1 July 2011 (Restated)	16,352	2,352	(316)	-	28,375	46,763	3,091	49,854
Total comprehensive income for the period	-	-	-	(182)	3,340	3,158	825	3,983
<b>Transactions with owners</b>								
Dividend paid	-	-	-	-	(1,619)	(1,619)	(186)	(1,805)
Purchase of treasury shares	-	-	(250)	-	-	(250)	-	(250)
Balance at 31 March 2012 (Restated)	16,352	2,352	(566)	(182)	30,096	48,052	3,730	51,782

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2012 and the accompanying explanatory notes attached to these interim financial statements)

**M3 TECHNOLOGIES (ASIA) BERHAD (482772-D)**  
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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the nine (9) months ended 31 March 2013**

	<b>9 months ended</b>	
	<b>31-Mar-13</b>	<b>31-Mar-12</b>
	<b>Unaudited</b>	<b>Unaudited</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,586	6,091
Adjustment for :		
Amortisation of product development expenditure	1,236	897
Bad debts recovered	(296)	-
Bad debts written off	581	516
Depreciation of plant and equipment	765	911
(Gain)/loss on disposal of plant and equipment	(8)	-
(Gain)/loss on foreign exchange translation - Unrealised	(155)	221
Interest expense	18	1
Interest income	(108)	174
Plant and equipment written off	22	-
Provision for doubtful debts	19	7
Share of results of jointly controlled entity	18	21
Operating profit before working capital changes	3,678	8,839
Changes in working capital :		
(Increase)/Decrease in inventory	(1,392)	88
(Increase)/Decrease in receivables	(2,586)	(2,722)
Increase/(Decrease) in payables	1,384	(1,353)
Cash generated from operating activities	1,084	4,852
Tax paid	(2,211)	(626)
Interest received	108	(174)
<b>Net cash (used in)/generated from operating activities</b>	<b>(1,019)</b>	<b>4,052</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of plant and equipment	(946)	(575)
Proceed from disposal of plant and equipment	20	-
Product development expenditure	(1,740)	(733)
Advance to jointly controlled entity	-	(415)
Repayment of advance to jointly controlled entity	118	-
<b>Net cash used in investing activities</b>	<b>(2,548)</b>	<b>(1,723)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid to shareholders of the Company	-	(2,429)
Dividend paid by subsidiaries to non-controlling interests	(251)	(7)
Interest expense	(18)	-
Proceed from issued share capital	3,650	-
Purchase of treasury shares	-	(250)
Repayment of loans and borrowings	(73)	(13)
<b>Net cash generated from/(used in) financing activities</b>	<b>3,308</b>	<b>(2,699)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(259)	(370)
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	(262)	281
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	19,240	20,169
<b>CASH AND CASH EQUIVALENTS AT QUARTER END</b>	<b>18,719</b>	<b>20,080</b>

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

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 June 2012 and the accompanying explanatory notes attached to these interim financial statements)