

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

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
For the Nine (9) months ended 31 March 2015

	Current quarter 3 months ended		Cumulative quarter 9 months ended	
	31-Mar-15 Unaudited RM'000	31-Mar-14 Unaudited RM'000	31-Mar-15 Unaudited RM'000	31-Mar-14 Unaudited RM'000
Revenue	9,807	9,027	24,763	30,705
Operating Expenses	(10,057)	(10,774)	(27,237)	(35,740)
Loss from Operations	<u>(250)</u>	<u>(1,747)</u>	<u>(2,474)</u>	<u>(5,035)</u>
Net interest (expense)/income	(3)	1	(16)	30
Share of results in a jointly controlled entity	16	(9)	11	(8)
Share of results in an associate	(351)	-	(536)	-
Loss before taxation	<u>(588)</u>	<u>(1,755)</u>	<u>(3,015)</u>	<u>(5,013)</u>
Income tax expense	(168)	(122)	(441)	(431)
Net loss for the period	<u><u>(756)</u></u>	<u><u>(1,877)</u></u>	<u><u>(3,456)</u></u>	<u><u>(5,444)</u></u>
Other comprehensive income/(loss), net of tax				
Foreign currency translation differences	1,039	591	2,380	(3)
Other comprehensive income/(loss) for the period, net of tax	<u>1,039</u>	<u>591</u>	<u>2,380</u>	<u>(3)</u>
Total comprehensive income/(loss) for the period	<u><u>283</u></u>	<u><u>(1,286)</u></u>	<u><u>(1,076)</u></u>	<u><u>(5,447)</u></u>
Attributable to:				
Equity holders of the Company	(903)	(1,957)	(4,013)	(5,547)
Non-controlling interests	147	80	557	103
	<u><u>(756)</u></u>	<u><u>(1,877)</u></u>	<u><u>(3,456)</u></u>	<u><u>(5,444)</u></u>
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	(91)	(1,575)	(2,179)	(5,628)
Non-controlling interests	374	289	1,103	181
	<u><u>283</u></u>	<u><u>(1,286)</u></u>	<u><u>(1,076)</u></u>	<u><u>(5,447)</u></u>
Earnings/(loss) per share				
Basic / Diluted (sen)	(0.51)	(1.11)	(2.27)	(3.13)

(The Condensed Consolidated Statements of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2014 and the accompanying explanatory notes attached to these interim financial statements)

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NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE
For the Nine (9) months ended 31 March 2015

	Current quarter 3 months ended		Cumulative quarter 9 months ended	
	31-Mar-15 Unaudited RM'000	31-Mar-14 Unaudited RM'000	31-Mar-15 Unaudited RM'000	31-Mar-14 Unaudited RM'000
Loss before taxation				
Included in the loss before tax are the following items:				
Amortisation of product development expenditure	316	500	1,018	1,436
Bad debts recovered	111	(29)	77	(68)
Bad debts written off	-	-	4	-
Depreciation of plant and equipment	302	299	852	859
(Gain)/loss on disposal of plant and equipment	1	(56)	2	(57)
<u>(Gain)/loss on foreign exchange translation</u>				
- Realised	68	232	65	286
- Unrealised	184	(259)	275	(86)
- Interest expense	9	12	29	38
- Interest income	(7)	(13)	(13)	(68)
Inventories written off	115	-	83	
Plant and equipment written off	1	-	61	20
Provision for doubtful debts	313	213	614	503

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;
- gain/loss on derivatives; and
- provision for inventories written off
- impairment of assets
- exceptional items (Otherwise disclosed).

(The Condensed Consolidated Statements of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2014 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 2015

	31-Mar-15 Unaudited RM'000	30-Jun-14 Audited RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	4,128	4,453
Intangible assets	3,420	3,060
Interest in a jointly controlled entity	-	-
Investment in an associate	5,435	5,971
	<u>12,983</u>	<u>13,484</u>
Current Assets		
Inventories	4,258	6,896
Trade and other receivables	19,367	15,928
Amount due from related company	-	109
Income tax refundable	1,080	583
Cash and bank balances	3,150	5,657
	<u>27,855</u>	<u>29,173</u>
TOTAL ASSETS	<u>40,838</u>	<u>42,657</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	17,961	17,961
Share premium	4,393	4,393
Treasury shares	(566)	(566)
Retained earnings	2,940	6,953
Foreign currency translation reserve	1,621	(213)
	<u>26,349</u>	<u>28,528</u>
Non-controlling interests	<u>4,502</u>	<u>3,399</u>
Total equity	<u>30,851</u>	<u>31,927</u>
Current Liabilities		
Trade and other payables	8,524	9,337
Loans and borrowings	177	483
Amount due to director	548	-
Income tax payable	-	20
	<u>9,249</u>	<u>9,840</u>
Non-current Liabilities		
Loans and borrowings	606	725
Deferred tax liabilities	132	130
Provision for gratuity	-	35
	<u>738</u>	<u>890</u>
Total liabilities	<u>9,987</u>	<u>10,730</u>
TOTAL EQUITY AND LIABILITIES	<u>40,838</u>	<u>42,657</u>
Net assets per share attributable to ordinary equity holders of the parent (sen)	14.88	16.11

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2014 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 CHANGES IN EQUITY

For the Nine (9) months ended 31 March 2015

	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Foreign Currency Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non-Controlling Interests RM'000	Total RM'000
Nine (9) months ended 31 March 2015								
Balance at 1 July 2014	17,961	4,393	(566)	(213)	6,953	28,528	3,399	31,927
Total comprehensive income/(loss) for the period	-	-	-	1,834	(4,013)	(2,179)	1,103	(1,076)
Balance at 31 March 2015	17,961	4,393	(566)	1,621	2,940	26,349	4,502	30,851
Nine (9) months ended 31 March 2014								
Balance at 1 July 2013	17,961	4,393	(566)	48	22,496	44,332	4,130	48,462
Total comprehensive loss for the period	-	-	-	(81)	(5,547)	(5,628)	181	(5,447)
Transactions with owners Dividend paid							(924)	(924)
Balance at 31 March 2014	17,961	4,393	(566)	(33)	16,949	38,704	3,387	42,091

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2014 and the accompanying explanatory notes attached to these interim financial statements)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Nine (9) months ended 31 March 2015

	9 months ended	
	31-Mar-15	31-Mar-14
	Unaudited	Unaudited
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(3,015)	(5,013)
Adjustment for :		
Amortisation of product development expenditure	1,018	1,436
Bad debts recovered	77	(68)
Bad debts written off	4	-
Depreciation of plant and equipment	852	859
(Gain)/loss on disposal of plant and equipment	2	(57)
(Gain)/loss on foreign exchange translation - Unrealised	275	(86)
Impairment loss on goodwill	-	-
Impairment loss on inventories	-	-
Impairment loss on investment in a jointly controlled entity	-	-
Interest expense	29	38
Interest income	(13)	(68)
Inventories written off	83	-
Plant and equipment written off	61	20
Provision for doubtful debts	614	503
Share of results in an associate	536	-
Share of results in a jointly controlled entity	(11)	8
Operating profit/(loss) before working capital changes	<u>512</u>	<u>(2,428)</u>
Changes in working capital :		
(Increase)/Decrease in inventory	2,555	1,059
(Increase)/Decrease in receivables	(3,871)	(565)
Increase/(Decrease) in payables	<u>(206)</u>	<u>616</u>
Cash (used in)/generated from operating activities	<u>(1,010)</u>	<u>(1,318)</u>
Tax paid	<u>(956)</u>	<u>(388)</u>
Net cash (used in)/generated from operating activities	<u>(1,966)</u>	<u>(1,706)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of an associate	-	-
Interest received	13	68
Proceed from disposal of plant and equipment	-	167
Purchase of plant and equipment	(590)	(662)
Proceed from disposal of plant and equipment	-	-
Product development expenditure	(1,378)	(2,253)
Repayment of advance to jointly controlled entity	-	-
Net cash (used in)/generated from investing activities	<u>(1,955)</u>	<u>(2,680)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid by subsidiaries to non-controlling interests	-	(924)
Interest expense	(29)	(38)
Dividend paid by subsidiaries to non-controlling interests	-	-
Proceed from issued share capital	-	-
Bank borrowings and term loan	-	-
Repayment of loans and borrowings	(425)	(2,917)
Net cash (used in)/generated from financing activities	<u>(454)</u>	<u>(3,879)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(4,375)</u>	<u>(8,265)</u>
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	1,868	59
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	<u>5,657</u>	<u>18,006</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>3,150</u>	<u>9,800</u>

The cash and cash equivalents at beginning of year and quarter end represents cash on hand, cash and fixed deposits 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 2014 and the accompanying explanatory notes attached to these interim financial statements)