

M3 TECHNOLOGIES (ASIA) BERHAD (482772-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
For the Twelve (12) months ended 30 June 2015

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	30-Jun-15 Unaudited RM'000	30-Jun-14 Unaudited RM'000	30-Jun-15 Unaudited RM'000	30-Jun-14 Audited RM'000
Revenue	12,414	8,691	37,177	39,396
Operating Expenses	(12,165)	(11,884)	(39,402)	(47,624)
Profit/(loss) from Operations	<u>249</u>	<u>(3,193)</u>	<u>(2,225)</u>	<u>(8,228)</u>
Net interest (expense)/income	(15)	-	(31)	30
Impairment loss on goodwill	-	(5,844)	-	(5,844)
Impairment loss on interest in a joint venture	-	(729)	-	(729)
Share of results in a jointly controlled entity	(11)	(19)	-	(27)
Share of results in an associate	305	(15)	(231)	(15)
Profit/(loss) before taxation	<u>528</u>	<u>(9,800)</u>	<u>(2,487)</u>	<u>(14,813)</u>
Income tax expense	(235)	(127)	(676)	(558)
Net Profit/(loss) for the period	<u><u>293</u></u>	<u><u>(9,927)</u></u>	<u><u>(3,163)</u></u>	<u><u>(15,371)</u></u>
Other comprehensive (loss)/income, net of tax				
Foreign currency translation differences	(52)	(237)	2,328	(240)
Other comprehensive (loss)/income for the period, net of tax	<u>(52)</u>	<u>(237)</u>	<u>2,328</u>	<u>(240)</u>
Total comprehensive income/(loss) for the period	<u><u>241</u></u>	<u><u>(10,164)</u></u>	<u><u>(835)</u></u>	<u><u>(15,611)</u></u>
Attributable to:				
Equity holders of the Company	(41)	(9,996)	(4,054)	(15,543)
Non-controlling interests	334	69	891	172
	<u><u>293</u></u>	<u><u>(9,927)</u></u>	<u><u>(3,163)</u></u>	<u><u>(15,371)</u></u>
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	(160)	(10,176)	(2,339)	(15,804)
Non-controlling interests	401	12	1,504	193
	<u><u>241</u></u>	<u><u>(10,164)</u></u>	<u><u>(835)</u></u>	<u><u>(15,611)</u></u>
Earnings/(loss) per share				
Basic / Diluted (sen)	(0.02)	(5.65)	(2.28)	(8.78)

(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)

**NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE
For the Twelve (12) months ended 30 June 2015**

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	30-Jun-15 Unaudited RM'000	30-Jun-14 Unaudited RM'000	30-Jun-15 Unaudited RM'000	30-Jun-14 Audited RM'000
Profit/(loss) before taxation is arrived at after charging/(crediting) the following items:				
Amortisation of product development expenditure	(7)	629	1,011	2,065
Bad debts recovered	(77)	68	-	-
Bad debts written off	99	2	103	2
Depreciation of plant and equipment	277	306	1,129	1,165
(Gain)/loss on disposal of plant and equipment	-	(2)	2	(59)
(Gain)/loss on foreign exchange translation				
- Realised	731	(74)	796	212
- Unrealised	(1,017)	73	(742)	(13)
Impairment loss on goodwill	-	5,844	-	5,844
Impairment loss on investment in a jointly controlled entity	-	729	-	729
Interest expense/(income)				
- Interest expense	10	9	39	47
- Interest income	5	(8)	(8)	(76)
Inventories written down	929	375	929	375
Inventories written off	4	898	87	898
Plant and equipment written off	72	-	133	20
Product development expenditure written off	-	346	-	346
Provision for doubtful debts	(28)	(1)	586	502
Investment income - Profit guarantee	(1,855)	-	(1,855)	-

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

- gain or loss on disposal of quoted or unquoted investments or properties;
- gain/loss on derivatives; and
- 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 30 June 2015

	30-Jun-15	30-Jun-14
	Unaudited	Audited
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	4,176	4,453
Intangible assets	3,730	3,060
Interest in a jointly controlled entity	-	-
Investment in an associate	5,740	5,971
	<u>13,646</u>	<u>13,484</u>
Current Assets		
Inventories	2,922	6,896
Trade and other receivables	23,663	15,928
Amount due from related company	-	109
Income tax refundable	1,631	583
Cash and bank balances	3,484	5,657
	<u>31,700</u>	<u>29,173</u>
TOTAL ASSETS	<u>45,346</u>	<u>42,657</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	18,561	17,961
Share premium	4,573	4,393
Treasury shares	(566)	(566)
Retained earnings	2,899	6,953
Foreign currency translation reserve	1,502	(213)
	<u>26,969</u>	<u>28,528</u>
Non-controlling interests	<u>4,903</u>	<u>3,399</u>
Total equity	<u>31,872</u>	<u>31,927</u>
Current Liabilities		
Trade and other payables	12,016	9,337
Loans and borrowings	168	483
Amount due to a director	500	-
Income tax payable	84	20
	<u>12,768</u>	<u>9,840</u>
Non-current Liabilities		
Loans and borrowings	574	725
Deferred tax liabilities	132	130
Provision for gratuity	-	35
	<u>706</u>	<u>890</u>
Total liabilities	<u>13,474</u>	<u>10,730</u>
TOTAL EQUITY AND LIABILITIES	<u>45,346</u>	<u>42,657</u>
Net assets per share attributable to ordinary equity holders of the parent (sen)	14.73	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)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**For the Twelve (12) months ended 30 June 2015**

	12 months ended	
	30-Jun-15 Unaudited RM'000	30-Jun-14 Unaudited RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(2,487)	(14,813)
Adjustment for :		
Amortisation of product development expenditure	1,011	2,065
Bad debts written off	103	2
Depreciation of plant and equipment	1,129	1,165
Loss/(Gain) on disposal of plant and equipment	2	(59)
(Gain)/loss on foreign exchange translation - Unrealised	(742)	(13)
Impairment loss on goodwill	-	5,844
Impairment loss on investment in a jointly controlled entity	-	729
Interest expense	39	47
Interest income	(8)	(76)
Inventories written down	929	375
Inventories written off	87	898
Plant and equipment written off	133	20
Product development expenditure written off	-	346
Provision for doubtful debts	586	502
Provision for staff cost	-	43
Share of results in an associate	231	27
Share of results in a jointly controlled entity	-	15
Operating profit/(loss) before working capital changes	<u>1,013</u>	<u>(2,883)</u>
Changes in working capital :		
Decrease in inventory	2,958	2,555
(Increase)/Decrease in receivables	(8,315)	414
Increase in payables	<u>3,144</u>	<u>1,134</u>
Cash (used in)/generated from operating activities	(1,200)	1,220
Tax paid	<u>(982)</u>	<u>(538)</u>
Net cash (used in)/generated from operating activities	<u>(2,182)</u>	<u>682</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of an associate	-	(5,998)
Interest received	8	72
Proceed from disposal of plant and equipment	-	235
Purchase of plant and equipment	(987)	(1,052)
Product development expenditure	<u>(1,681)</u>	<u>(2,459)</u>
Net cash (used in)/generated from investing activities	<u>(2,660)</u>	<u>(9,202)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid by subsidiaries to non-controlling interests	-	(924)
Issued of new shares	780	-
Interest paid	(39)	(47)
Repayment of loans and borrowings	<u>(466)</u>	<u>(2,607)</u>
Net cash (used in)/generated from financing activities	<u>275</u>	<u>(3,578)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(4,567)	(12,098)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	2,394	(251)
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>3,484</u>	<u>5,657</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)

M3 TECHNOLOGIES (ASIA) BERHAD (482772-D)

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**For the Twelve (12) months ended 30 June 2015**

	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
Twelve (12) months ended 30 June 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	-	-	-	1,715	(4,054)	(2,339)	1,504	(835)
Issue of new shares - Private placement	600	180	-	-	-	780	-	780
Balance at 30 June 2015	18,561	4,573	(566)	1,502	2,899	26,969	4,903	31,872
Twelve (12) months ended 30 June 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	-	-	-	(261)	(15,543)	(15,804)	193	(15,611)
Transactions with owners								
Dividend paid	-	-	-	-	-	-	(924)	(924)
Balance at 30 June 2014	17,961	4,393	(566)	(213)	6,953	28,528	3,399	31,927

(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)