

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

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME**  
**For the Three (3) months ended 30 September 2015**

	Current quarter 3 months ended		Cumulative quarter 3 months ended	
	30-Sep-15 Unaudited RM'000	30-Sep-14 Unaudited RM'000	30-Sep-15 Unaudited RM'000	30-Sep-14 Unaudited RM'000
<b>Revenue</b>	10,867	6,642	10,867	6,642
Operating Expenses	(10,033)	(8,613)	(10,033)	(8,613)
<b>Profit/(Loss) from Operations</b>	<u>834</u>	<u>(1,971)</u>	<u>834</u>	<u>(1,971)</u>
Net interest income/(expense)	(7)	(8)	(7)	(8)
Share of results in a jointly controlled entity	-	(2)	-	(2)
Share of results in an associate	(401)	(87)	(401)	(87)
<b>Profit/(Loss) before taxation</b>	<u>426</u>	<u>(2,068)</u>	<u>426</u>	<u>(2,068)</u>
Income tax expense	(262)	(154)	(262)	(154)
<b>Net Profit/(Loss) for the period</b>	<u><u>164</u></u>	<u><u>(2,222)</u></u>	<u><u>164</u></u>	<u><u>(2,222)</u></u>
<b>Other comprehensive income/(loss), net of tax</b>				
Foreign currency translation differences	<u>1,483</u>	<u>60</u>	<u>1,483</u>	<u>60</u>
Other comprehensive income/(loss) for the period, net of tax	<u>1,483</u>	<u>60</u>	<u>1,483</u>	<u>60</u>
<b>Total comprehensive income/(loss) for the period</b>	<u><u>1,647</u></u>	<u><u>(2,162)</u></u>	<u><u>1,647</u></u>	<u><u>(2,162)</u></u>
<b>Attributable to:</b>				
Equity holders of the Company	(424)	(2,312)	(424)	(2,312)
Non-controlling interests	<u>588</u>	<u>90</u>	<u>588</u>	<u>90</u>
	<u><u>164</u></u>	<u><u>(2,222)</u></u>	<u><u>164</u></u>	<u><u>(2,222)</u></u>
<b>Total comprehensive income/(loss) attributable to:</b>				
Equity holders of the Company	633	(2,221)	633	(2,221)
Non-controlling interests	<u>1,014</u>	<u>59</u>	<u>1,014</u>	<u>59</u>
	<u><u>1,647</u></u>	<u><u>(2,162)</u></u>	<u><u>1,647</u></u>	<u><u>(2,162)</u></u>
<b>Earnings/(loss) per share</b>				
Basic / Diluted (sen)	(0.24)	(1.31)	(0.24)	(1.31)

(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 2015 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 Three (3) months ended 30 September 2015**

	<b>Current quarter</b>		<b>Cumulative quarter</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>30-Sep-15</b>	<b>30-Sep-14</b>	<b>30-Sep-15</b>	<b>30-Sep-14</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>
Profit/(Loss) before taxation				
Included in the Profit/(loss) before tax are the following items:				
Amortisation of product development expenditure	277	363	277	363
Depreciation of plant and equipment	322	280	322	280
<u>(Gain)/loss on foreign exchange translation</u>				
- Realised	10	21	10	21
- Unrealised	(151)	(63)	(151)	(63)
- Interest expense	9	10	9	10
- Interest income	(2)	(2)	(2)	(2)
Plant and equipment written off	9	-	9	-
Provision for doubtful debts	198	230	198	230

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

- gain/loss on derivatives
- exceptional items (Otherwise disclosed)
- bad debts recovered
- bad debts written off
- (Gain)/loss on disposal of plant and equipment
- Impairment loss on goodwill
- Impairment loss on investment in a jointly controlled entity
- Inventories written down
- Inventories written off; and
- Product development expenditure written off

(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 2015 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 September 2015**

	<b>30-Sep-15</b> <b>Unaudited</b> <b>RM'000</b>	<b>30-Jun-15</b> <b>Audited</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	4,303	4,199
Intangible assets	4,196	3,706
Interest in a jointly controlled entity	-	-
Investment in an associate	5,339	5,740
	<u>13,838</u>	<u>13,645</u>
<b>Current Assets</b>		
Inventories	3,744	3,161
Trade and other receivables	27,399	23,573
Amount due from related company	-	-
Tax refundable	690	783
Cash and bank balances	4,289	3,512
	<u>36,122</u>	<u>31,029</u>
<b>TOTAL ASSETS</b>	<u>49,960</u>	<u>44,674</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	18,561	18,561
Share premium	4,573	4,573
Treasury shares	(566)	(566)
Retained earnings	2,452	2,588
Foreign currency translation reserve	2,394	1,625
	<u>27,414</u>	<u>26,781</u>
<b>Non-controlling interests</b>	<u>6,216</u>	<u>4,904</u>
<b>Total equity</b>	<u>33,630</u>	<u>31,685</u>
<b>Current Liabilities</b>		
Trade and other payables	14,214	11,658
Loans and borrowings	164	160
Amount due to a director	1,237	500
Tax payable	112	18
	<u>15,727</u>	<u>12,336</u>
<b>Non-current Liabilities</b>		
Loans and borrowings	544	588
Deferred tax liabilities	59	55
Provision for gratuity	-	10
	<u>603</u>	<u>653</u>
<b>Total liabilities</b>	<u>16,330</u>	<u>12,989</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>49,960</u>	<u>44,674</u>
Net assets per share attributable to ordinary equity holders of the parent (sen)	15.48	14.63

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2015 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 Three (3) months ended 30 September 2015**

	<b>3 months ended</b>	
	<b>30-Sep-15</b>	<b>30-Sep-14</b>
	<b>Unaudited</b>	<b>Unaudited</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	426	(2,068)
Adjustment for :		
Amortisation of product development expenditure	277	363
Depreciation of plant and equipment	322	280
(Gain)/loss on foreign exchange translation - Unrealised	(151)	57
Interest expense	9	10
Interest income	(2)	(2)
Plant and equipment written off	9	-
Provision for doubtful debts	198	230
Share of results in an associate	401	87
Share of results in a jointly controlled entity	-	2
Operating profit/(loss) before working capital changes	<u>1,489</u>	<u>(1,041)</u>
Changes in working capital :		
(Increase)/Decrease in inventory	(583)	1,040
(Increase)/Decrease in receivables	(4,024)	594
Increase/(Decrease) in payables	3,283	(920)
Cash (used in)/generated from operating activities	<u>165</u>	<u>(327)</u>
Tax paid	<u>(71)</u>	<u>(291)</u>
<b>Net cash (used in)/generated from operating activities</b>	<u>94</u>	<u>(618)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest received	2	2
Purchase of plant and equipment	(435)	25
Product development expenditure	<u>(767)</u>	<u>(440)</u>
<b>Net cash (used in)/generated from investing activities</b>	<u>(1,200)</u>	<u>(413)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest expense	(9)	(10)
Repayment of loans and borrowings	<u>(40)</u>	<u>(379)</u>
<b>Net cash (used in)/generated from financing activities</b>	<u>(49)</u>	<u>(389)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(1,155)	(1,420)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	1,932	57
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	<u>3,512</u>	<u>5,657</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<u>4,289</u>	<u>4,294</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 2015 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 Three (3) months ended 30 September 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
<b>Three (3) months ended 30 September 2015</b>								
Balance at 1 July 2015	18,561	4,573	(566)	1,625	2,588	26,781	4,905	31,686
Total comprehensive income/(loss) for the period	-	-	-	769	(136)	633	1,311	1,944
Balance at 30 September 2015	18,561	4,573	(566)	2,394	2,452	27,414	6,216	33,630
<b>Three (3) months ended 30 September 2014</b>								
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	-	-	-	88	(2,309)	(2,221)	59	(2,162)
Balance at 30 September 2014	17,961	4,393	(566)	(125)	4,644	26,307	3,458	29,765

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2015 and the accompanying explanatory notes attached to these interim financial statements)