



(Company No: 591898-H)

QUARTERLY REPORT

Unaudited Condensed Consolidated Income Statement

For the first quarter ended 30 June 2009

Group	Individual Quarter ended		Cumulative Quarter ended	
	Unaudited 30 Jun 2009 RM'000	Unaudited 30 Jun 2008 RM'000	Unaudited 30 Jun 2009 RM'000	Unaudited 30 Jun 2008 RM'000
Revenue	5,286	5,231	5,286	5,231
Depreciation and amortization	(1,012)	(995)	(1,012)	(995)
Share option expenses	(42)	(86)	(42)	(86)
Other operating expenses	(3,881)	(3,723)	(3,881)	(3,723)
Interest expenses	(64)	(64)	(64)	(64)
Interest income	17	1	17	1
Profit before taxation	304	364	304	364
Tax expense	-	-	-	-
Net profit for the period	304	364	304	364
Earnings per ordinary share (sen):				
- Basic	0.08	0.11	0.08	0.11
- Diluted	0.08	0.10	0.08	0.10

Note :

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the annual audited financial statements for the year ended 31 March 2009 and the accompanying explanatory notes attached to the interim financial statements.



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Unaudited Condensed Consolidated Balance Sheet

Group	Unaudited 30 Jun 2009 RM'000	Audited 31 Mar 2009 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	118	125
Intangible assets	23,603	23,471
	<u>23,721</u>	<u>23,596</u>
Current assets		
Amount due from contract customers	9,773	5,411
Trade and other receivables	3,675	6,390
Tax recoverable	8	6
Cash and cash equivalents	2,729	3,075
	<u>16,185</u>	<u>14,882</u>
TOTAL ASSETS	<u>39,906</u>	<u>38,478</u>
EQUITY & LIABILITIES		
Equity and reserves		
Share capital	35,995	35,995
Reserves	(11,575)	(12,280)
Total equity	<u>24,420</u>	<u>23,715</u>
Current liabilities		
Amount due to contract customers	2,220	635
Trade and other payables	9,577	11,955
Borrowings	3,689	2,173
	<u>15,486</u>	<u>14,763</u>
Total liabilities	<u>15,486</u>	<u>14,763</u>
TOTAL EQUITY AND LIABILITIES	<u>39,906</u>	<u>38,478</u>
Net assets per share (RM)	<u>0.07</u>	<u>0.07</u>

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the annual audited financial statements for the year ended 31 March 2009 and the accompanying explanatory notes attached to the interim financial statements.



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Unaudited Condensed Consolidated Statement of Changes in Equity

For the period ended 30 June 2009

Group	Reserves					Total RM'000
	Share Capital RM'000	Share premium RM'000	Equity Compensation Reserves RM'000	Translation reserve RM'000	Accumulated loss RM'000	
At 1 April 2009	35,995	8,377	894	2,751	(24,302)	23,715
Exchange differences on translation of the financial statements of foreign entity	-	-	-	359	-	359
Net gain not recognized in the income statement	-	-	-	359	-	359
Employee Stock Option - Value of Employee services	-	-	42	-	-	42
Net profit for the period	-	-	-	-	304	304
At 30 June 2009	35,995	8,377	936	3,110	(23,998)	24,420
At 1 April 2008	33,567	8,530	830	2,028	(25,368)	19,587
Exchange differences on translation of the financial statements of foreign entity	-	-	-	653	-	653
Net gain not recognized in the income statement	-	-	-	653	-	653
Employee Stock Option - Value of Employee services	-	-	86	-	-	86
Net profit for the period	-	-	-	-	364	364
At 30 June 2008	33,567	8,530	916	2,681	(25,004)	20,690

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the annual audited financial statements for the year ended 31 March 2009 and the accompanying explanatory notes attached to the interim financial statements.



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Unaudited Condensed Consolidated Cash Flow Statements

For the period ended 30 June 2009

Group	Year To Date ended	Year To Date ended
	30 Jun 2009 RM'000	30 Jun 2008 RM'000
Profit before taxation	304	364
Adjustments for :-		
Non-cash items	1,054	1,081
Non-operating items	(17)	(1)
Operating profit before working capital changes	1,341	1,444
Net change in current assets	(1,648)	(1,944)
Net change in current liabilities	(793)	3,018
Tax paid	(2)	(2)
Net cash from operating activities	(1,102)	2,516
Investing activities		
Purchase of property, plant and equipment	(13)	(39)
Interest received	17	1
Addition of software development expenditure, net of grant	(773)	(942)
Net cash used in investing activities	(769)	(980)
Financing activities		
Proceed/(Repayment) of short term borrowing	1,515	(912)
Decrease/(Increase) in pledged deposit place with bank	391	-
Net cash (used)/generated in financing activities	1,906	(912)
Net changes in cash and cash equivalents	35	624
Cash and cash equivalents at beginning of financial year	(402)	3
Effect of exchange rate changes	8	(279)
Cash and cash equivalents at end of the financial period	(359)	342
Cash and cash equivalents at end of financial period comprise of:		
Cash and cash equivalents (excluding pledged deposits with bank)	392	1,141
Bank overdraft	(751)	(799)
Cash and cash equivalents at end of the financial period	(359)	342

The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the annual audited financial statements for the year ended 31 March 2009 and the accompanying explanatory notes attached to the interim financial statements.



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Part A – Explanatory Notes Pursuant to FRS 134

A1. Basis of Preparation.

The interim financial report is unaudited and has been prepared in accordance with the requirements of FRS134 “Interim Financial Reporting” and Chapter 9, Part K Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market. The interim financial report should also be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2009.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements for the financial year ended 31st March 2009.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since financial year ended 31 March 2009.

A2. Changes in Accounting Policies

The significant accounting policies applied in the interim financial statements are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 March 2009.

A3. Auditors’ Report on Preceding Annual Financial Statements

The audit report of the preceding annual financial statements was not subject to any qualification.

A4. Comments about Seasonal or Cyclical Factors

The business of the Group is not affected by any significant seasonal or cyclical factors.

A5. Unusual Items Due to their Nature, Size or Incidence

There were no unusual items during the quarter.

A6. Changes in Estimates

There are no changes in the estimates of amount reported that have material effect in the current quarter.

A7. Debt and Equity Securities

Other than as disclosed in note B8, there were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review.



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A8. Dividend Paid

No dividend was paid during the quarter under review.

A9. Segmental Information

	Period ended 30 June 2009			Consolidated RM'000
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	
<i>Geographical segments</i>				
External	121	5,165	-	5,286
Inter-segment	-	-	-	-
Total revenue	121	5,165	-	5,286
Segment result	(272)	623	-	351
Interest income				17
Interest expense				(64)
Profit before taxation				304
Taxation				-
Profit after taxation				304
Segment assets	24,743	38,445	(23,282)	39,906
Segment liabilities	2,420	26,400	(13,334)	15,486
Capital expenditure	-	13	-	13
Depreciation and amortisation	5	1,007	-	1,012

A10. Valuation of Property, Plant and Equipment

The Group did not revalue any of its property, plant and equipment.

A11. Subsequent Events

There were no material events between 1st July 2009 and 26th August 2009 that would be required to be reflected in the financial statement for the quarter ended 30th June 2009.



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A12. Changes in the Composition Of the Group

There were no changes in the composition of the Group during the quarter under review.

A13. Changes in Contingent Liabilities

	As at end of current quarter ended 30 June 2009 RM'000
Guarantees given by the Company to financial institutions for credit facilities granted to subsidiaries	2,538 =====

A14. Significant Related Party Transaction

The Group is of the opinion that there are no related party transactions which would have material impact on the financial position and business of the Group during the current quarter under review.



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Part B – Additional Information required by Bursa Malaysia Securities Berhad’s Listing Requirements

B1. Performance Review

For the current quarter under review, the Group achieved revenue of approximately RM5.3 million and profit before taxation of approximately RM0.3 million which was comparable to the revenue of approximately RM5.2 million and profit before taxation of approximately RM0.3 million for the preceding year’s corresponding quarter period ended 30th June 2008.

B2. Variation of Results against the Preceding Quarter

	Current Quarter 30 Jun 2009 RM’000	Preceding Quarter 31 Mar 2009 RM’000	Difference (%)
Revenue	5,286	4,427	19%
Profit before taxation	304	61	398%

The Group recorded higher revenue of approximately RM5.3 million in the current quarter under review as compared to RM4.4 million in the preceding quarter ended 31 March 2009 as a result of higher delivery of hardware to customers. The Group recorded a higher profit before taxation in the current quarter as compared to preceding quarter due mainly to higher revenue recorded and lower staff cost in the current quarter.

The Group ended the current quarter with a secured order book of RM26.0 million as compared to RM28.4 million as at the end of immediate preceding quarter. The majority of the order book consists of e-government contracts.

B3. Prospect

The Group continues to operate in a challenging market in view of the regional and global economic uncertainty despite our Group’s healthy order book. The Group will continue to source for new partners or ventures in new markets to improve its financial performance.

B4. Profit Forecast and Profit Guarantee

The Group has not issued any profit forecast or profit guarantee.



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B5. Taxation

	Individual quarter ended 30 June		Cumulative quarter ended 30 June	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Current taxation (charge)/Write back	-	-	-	-
Under provision in prior years	-	-	-	-
	-----	-----	-----	-----
Tax expenses (charge)/write back	-	-	-	-
	=====	=====	=====	=====

The Company was granted Multimedia Super Corridor ("MSC") status. By virtue of this status, the Company has also obtained an extension of its Pioneer Status until January 2013 whereby its statutory business income is exempted from income tax under Section 127 of the Income Tax Act, 1967.

B6. Sale of Unquoted Investments and Properties

There were no sales of unquoted investment and properties during the quarter.

B7. Quoted and marketable securities

The Group does not have any investment in quoted securities.

B8. Status of Corporate Proposals

(a) Proposed Private Placement

On 28 March 2008, the Company proposed to implement a private placement of up to 77,202,950 new ordinary shares of RM0.10 each in the Company, representing not more than twenty percent (20%) of the issued and paid-up share capital of the Company. The Placement Shares are proposed to be placed out to Raden Corporation Sdn Bhd ("Raden") and other placees to be identified at a later date. On 3 August 2009, the Securities Commission ("SC") had approved the Company's application to complete the Proposed Private Placement by 31 January 2010.

As at the date of this report, the Company had issued 24,283,250 new ordinary shares of RM0.10 each at par for cash. Of the new shares issued, 16,783,250 new ordinary shares had been allocated and fully subscribed by Raden. Raden is deemed interested by virtue of Y.A.M. Tunku Dato' Seri Nadzaruddin Ibni Almarhum Tuanku Ja'afar's directorship in NOVAMSC and his directorship and major shareholdings in Raden. The net proceeds from the said placements had been utilized in the Company's working capital.



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(b) Employee Share Option Scheme ("ESOS")

At an extraordinary general meeting on 28 September 2004, the Company's shareholders approved the establishment of a ten (10) year ESOS of up to thirty percent (30%) of the issued and paid-up capital of the Company, subject to a maximum entitlement of fifteen percent (15%) for the first five (5) years to eligible Directors and employees of the Group.

Set out below are the details of options over the ordinary shares of the Company under the ESOS:-

<u>Grant date</u>	<u>Number of options over ordinary shares of RM0.10 in the Company</u>			
	Granted	Exercised	Lapsed	As at 30.6.2009
20.3.2006	17,810,000	(8,865,000)	(4,095,000)	4,850,000
21.6.2006	7,300,000	(2,700,000)	-	4,600,000
30.8.2006	960,000	(300,000)	(180,000)	480,000
15.6.2007	8,440,000	-	(1,880,000)	6,560,000
	<u>34,510,000</u>	<u>(11,865,000)</u>	<u>(6,155,000)</u>	<u>16,490,000</u>

B9. Group Borrowings and Debt Securities

The total borrowings of the Group as at 30 June 2009 are as follows:

	RM'000
Secured due within 12 months	
<i>Bank overdraft</i>	751
<i>Short term borrowing</i>	2,538
<i>Revolving credit</i>	400

	3,689
	=====

The borrowings and banker guarantees are secured by way of corporate guarantees and pledge of fixed deposits of approximately RM2,336,000 and certain account receivables.

B10. Off Balance Sheet Financial Instruments

The Group does not have any financial instrument with off balance sheet risk.



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B11. Material Litigation

The Group is not engaged in any material litigation either as plaintiff or defendant and the directors do not have any knowledge of any proceedings pending or threatened against the Group.

B12. Dividend

No dividend has been recommended for the quarter under review.

B13. Earning Per Share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 30 Jun 2009	Preceding year corresponding quarter 30 Jun 2008	Current year to date 30 Jun 2009	Preceding year corresponding period 30 Jun 2008
(a) Basic earnings per share				
Net profit attributable to shareholders (RM'000)	304	364	304	364
Weighted average number of ordinary shares ('000)	359,948	335,665	359,948	335,665
Basic earnings per share (sen)	0.08	0.11	0.08	0.11
(b) Diluted earnings per share				
Net profit attributable to shareholders (RM'000)	304	364	304	364
Weighted average number of ordinary shares ('000)	359,948	335,665	359,948	335,665
Effect of dilution on stock options ('000)	16,490	19,150	16,490	19,150
Adjusted weighted average number of ordinary shares in issues (diluted) ('000)	376,438	354,815	376,438	354,815
Diluted earnings per share (sen)	0.08	0.10	0.08	0.10



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By the Order of the Board

Loy Tuan Bee (BC/L/168)
Wong Wai Yin (MAICSA 7003000)
Secretaries
Kuala Lumpur

26th August 2009