



(Company No: 591898-H)

QUARTERLY REPORT

Condensed Consolidated Statement of Comprehensive Income

For the first quarter ended 30 June 2013

(Unaudited)

Group	Individual Quarter ended		Cumulative Quarter ended	
	Unaudited 30 Jun 2013 RM'000	Unaudited 30 Jun 2012 RM'000	Unaudited 30 Jun 2013 RM'000	Unaudited 30 Jun 2012 RM'000
Revenue	8,263	9,563	8,263	9,563
Depreciation and amortization	(501)	(1,383)	(501)	(1,383)
Other operating expenses	(7,381)	(7,905)	(7,381)	(7,905)
Interest expenses	(77)	(30)	(77)	(30)
Interest income	-	-	-	-
Share of results of associates	61	8	61	8
Profit before taxation	365	253	365	253
Tax expense	-	-	-	-
Net Profit for the period	365	253	365	253
Other comprehensive income:				
Exchange differences on translating foreign operations	85	614	85	614
Total Comprehensive Income	450	867	450	867
Total comprehensive income attributable to:				
Equity Holders of Company	450	867	450	867
Non-controlling interest	-	-	-	-
	450	867	450	867
Earning per ordinary share (sen):				
- Basic	0.09	0.06	0.09	0.06
- Diluted	0.09	0.06	0.09	0.06

Note :

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the annual audited financial statements for the year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.



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Condensed Consolidated Statement of Financial Position

Group	Unaudited 30 Jun 2013 RM'000	Audited 31 Mar 2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	614	571
Intangible assets	9,043	8,756
Investment in associates	757	694
	<u>10,414</u>	<u>10,021</u>
Current assets		
Amount due from contract customers	6,829	6,569
Trade and other receivables	14,219	13,819
Tax recoverable	5	5
Cash and cash equivalents	1,825	4,280
	<u>22,878</u>	<u>24,673</u>
TOTAL ASSETS	<u>33,292</u>	<u>34,694</u>
EQUITY & LIABILITIES		
Equity and reserves		
Share capital	40,280	40,280
Reserves	(18,259)	(18,709)
	<u>22,021</u>	<u>21,571</u>
Non-Controlling Interest	31	-
Total Equity	<u>22,052</u>	<u>21,571</u>
Current liabilities		
Amount due to contract customers	863	41
Trade and other payables	7,107	8,478
Borrowings	3,270	4,604
	<u>11,240</u>	<u>13,123</u>
Total liabilities	<u>11,240</u>	<u>13,123</u>
TOTAL EQUITY AND LIABILITIES	<u>33,292</u>	<u>34,694</u>
Net assets per share (RM)	0.05	0.05

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the annual audited financial statements for the year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.



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Condensed Consolidated Statement of Changes in Equity

For the period ended 30 June 2013
(Unaudited)

Group	Share Capital RM'000	Share premium RM'000	Equity Compensation Reserves RM'000	Translation reserve RM'000	Accumulated loss RM'000	Total RM'000
At 1 April 2013	40,280	8,307	942	3,641	(31,599)	21,571
Total Comprehensive Income for the period	-	-	-	85	365	450
Employee Stock Option - Transferred to Accumulated Loss for Lapsed ESOS	-	-	-	-	-	-
At 30 June 2013	40,280	8,307	942	3,726	(31,234)	22,021
At 1 April 2012	40,280	8,307	958	3,101	(26,997)	25,649
Total Comprehensive Income for the period	-	-	-	614	253	867
Employee Stock Option - Transferred to Accumulated Loss for Lapsed ESOS	-	-	(7)	-	7	-
At 30 June 2012	40,280	8,307	951	3,715	(26,737)	26,516

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 2013 and the accompanying explanatory notes attached to the interim financial statements.



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Condensed Consolidated Cash Flow Statements

For the period ended 30 June 2013

(Unaudited)

Group	Year To Date ended	Year To Date ended
	30 Jun 2013 RM'000	30 Jun 2012 RM'000
Profit before taxation	365	253
Adjustments for :-		
Non-cash items	501	1,383
Non-operating items	116	132
Operating profit before working capital changes	982	1,768
Net change in current assets	(660)	(4,075)
Net change in current liabilities	(549)	(1,925)
Tax paid	-	(1)
Net cash from operating activities	(227)	(4,233)
Investing activities		
Purchase of property, plant and equipment	(112)	(67)
Investment in subsidiary	(74)	-
Interest received	-	-
Addition of software development expenditure, net of grant	(711)	(286)
Net cash used in investing activities	(897)	(353)
Financing activities		
Proceed/(Repayment) of short term borrowing, net	(1,334)	(201)
(Increase)/Decrease in pledged deposit place with bank	168	(180)
Net cash (used)/generated in financing activities	(1,166)	(381)
Net changes in cash and cash equivalents	(2,290)	(4,967)
Cash and cash equivalents at beginning of financial year	3,528	5,852
Effect of exchange rate changes on opening balance	3	144
Cash and cash equivalents at end of the financial period	1,241	1,029
Cash and cash equivalents at end of financial period comprise of:		
Cash and cash equivalents (excluding pledged deposits with bank)	1,241	1,029
Bank overdraft	-	-
Cash and cash equivalents at end of the financial period	1,241	1,029

The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the annual audited financial statements for the year ended 31 March 2013 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 Malaysian Financial Reporting Standards (“MFRS”) 134 “Interim Financial Reporting” and Paragraph 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 2013.

A2. Auditors’ Report on Preceding Annual Financial Statements

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

A3. Comments about Seasonal or Cyclical Factors

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

A4. Unusual Items Due to their Nature, Size or Incidence

There were no unusual items during the quarter.

A5. Changes in Estimates

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

A6. Debt and Equity Securities

Other than as disclosed in note B9, there were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review.

A7. Dividend Paid

No dividend was paid during the quarter under review.

A8. Capital Commitments

There were no material capital commitments approved and contracted for as at 30 June 2013.



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A9. Valuation of Property, Plant and Equipment

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

A10. Segmental Information

	Period ended 30 June 2013			Consolidated RM'000
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	
<i>Geographical segments</i>				
External	168	8,094	-	8,263
Inter-segment	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue	168	8,094	-	8,263
	<hr/>	<hr/>	<hr/>	<hr/>
Segment result	(512)	893	-	381
Interest income				-
Interest expense				(77)
Share of results of associates				61
				<hr/>
Loss before taxation				365
Taxation				-
				<hr/>
Loss after taxation				365
				<hr/>
Segment assets	22,984	32,870	(22,562)	33,292
	<hr/>	<hr/>	<hr/>	<hr/>
Segment liabilities	624	18,871	(8,255)	11,240
	<hr/>	<hr/>	<hr/>	<hr/>
Capital expenditure	-	112	-	112
Depreciation and amortisation	7	494	-	501

A11. Subsequent Events

There were no material events between 1st July 2013 and 28th August 2013 that would be required to be reflected in the financial statement for the quarter ended 30th June 2013.

A12. Changes in the Composition Of the Group

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



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A13. Changes in Contingent Liabilities

As at end of current
quarter ended
30 Jun 2013
RM'000

Guarantees given by the Company to financial institution for credit facilities granted to subsidiaries	3,270 =====
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A14. Significant Related Party Transaction

The Group has no related party transactions which would have material impact on the financial position and business of the Group during the current quarter under review except the following:-

	Individual quarter ended		Cumulative quarter ended	
	30 Jun 2013	30 Jun 2012	30 Jun 2013	30 Jun 2012
	RM'000	RM'000	RM'000	RM'000
Transactions between the Group with a substantial shareholder				
Rental income	37	34	37	34
Consultancy income	10	-	10	-
Development expenses	-	(66)	-	(66)
	=====	=====	=====	=====
Transactions between the Group with a company which certain directors may have or deemed to have substantial interests				
Rental income	-	7	-	7
	=====	=====	=====	=====



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

B1. Performance Review

Current Quarter vs Previous Year Corresponding Quarter

For the current quarter under review, the Group achieved revenue of approximately RM8.3 million, which was about 13% lower than the revenue of approximately RM9.6 million for the preceding year’s corresponding quarter mainly as a result of lower delivery of third party products.

Despite the lower revenue achieved, the Group recorded a first quarter profit before taxation of approximately RM0.4 million which was comparable to the profit before taxation of approximately RM0.3 million recorded for the preceding year’s corresponding quarter due to lower amortization charges.

B2. Variation of Results against the Preceding Quarter

	Current Quarter 30 Jun 2013 RM’000	Preceding Quarter 31 Mar 2013 RM’000	Difference (%)
Revenue	8,263	8,300	-
Profit/(Loss) before taxation	365	(727)	150%

The Group recorded revenue of approximately RM8.3 million in the current quarter, which was comparable to that recorded in the preceding quarter ended 31 March 13. The Group ended the current quarter with a profit before tax of RM0.4 million as compared to a loss before taxation of RM0.7 million in the immediate preceding quarter mainly as a result of lower amortization charges.

The Group ended the current quarter with a secured order book of RM31.7 million as compared to RM24.9 million as at the end of immediate preceding quarter.

B3. Prospect

With the Group’s relatively stable order books and focused marketing strategies in the region, the Group is cautiously optimistic that the current year performance will be better than last year.

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		Cumulative quarter ended	
	30 Jun 2013	30 Jun 2012	30 Jun 2013	30 Jun 2012
	RM'000	RM'000	RM'000	RM'000
Current taxation charge	-	-	-	-
Utilization of deferred tax asset	-	-	-	-
	-----	-----	-----	-----
Tax expenses (charge)/write back	-	-	-	-
	=====	=====	=====	=====

Net deferred tax assets in respect of unutilized tax losses and development expenditure capitalized have not been recognized because of uncertainty that future taxable profits will be available against which the Company and its subsidiaries can utilize the benefits.

B6. Group Borrowings and Debt Securities

The total borrowings of the Group as at 30 June 2013 are as follows:

	RM'000
Term loan	
<i>Payable within 12 months</i>	3,270
<i>Payable after 12 months</i>	-

	3,270
	=====

The borrowings are secured by pledge of present and future proceeds from certain consultancy contracts. Deposits with licensed banks amounting to RM584K are pledged as security for other banking facilities.

B7. 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.

B8. Dividend

No dividend has been recommended for the quarter under review.



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B9. Status of Corporate Proposals

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>Option Grant date</u>	<u>Option Expiry date</u>	<u>Exercise price</u>	Number of options over ordinary shares of RM0.10			As at 30.06.13
			Granted	Exercised	Lapsed	
15.6.2007	30.10.2015	RM 0.10	8,440,000	-	(3,100,000)	5,340,000
01.10.2009	30.10.2015	RM 0.10	5,430,000	-	(200,000)	5,230,000
01.10.2010	30.10.2015	RM 0.10	3,600,000	-	(200,000)	3,400,000
15.04.2011	30.10.2015	RM 0.10	3,440,000	-	-	3,440,000
			20,910,000	-	(3,500,000)	17,410,000

B10. Realised and unrealized accumulated losses

	As at 30 Jun 2013 RM'000	As at 30 Jun 2012 RM'000
i) Total Accumulated Losses of Nova MSC Bhd and its subsidiaries		
- Realized loss	(42,787)	(38,493)
- Unrealised (loss)/gain	57	337
	<u>(42,729)</u>	<u>(38,156)</u>
ii) Total share of retained earning from Associates		
- Realized profit	527	474
- Unrealised gain	-	-
	<u>527</u>	<u>474</u>
iii) Group Consolidation adjustments	<u>10,968</u>	<u>10,945</u>
Total Group accumulated losses as per consolidated accounts	<u>(31,234)</u>	<u>(26,737)</u>



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B11. Notes to Condensed Consolidated Statement of Comprehensive Income

Operating profit is arrived at after charging/(crediting) the following items:

	Individual Quarter ended 30 Jun 2013 RM'000	Cumulative Quarter ended 30 Jun 2013 RM'000
i) Depreciation and amortization	501	501
ii) Foreign exchange (gain)/loss	62	62
iii) Provision for and write off of receivables	-	-
iv) Provision for and write off of inventories	-	-
v) Gain and loss on disposal of quoted and unquoted investments or properties	-	-
vi) (Write back)/Impairment of intangible asset	-	-
vii) Gain or loss on derivatives	-	-
viii) Exceptional items	-	-

B12. Earning Per Share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 30 Jun 2013	Preceding year corresponding quarter 30 Jun 2012	Current year to date 30 Jun 2013	Preceding year corresponding period 30 Jun 2012
(a) Basic earning per share				
Net profit attributable to shareholders (RM'000)	365	253	365	253
Weighted average number of ordinary shares ('000)	402,798	402,798	402,798	402,798
Basic earning per share (sen)	0.09	0.06	0.09	0.06



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B12. Earning Per Share (Cont'd)

(b) Diluted earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 30 Jun 2013	Preceding year corresponding quarter 30 Jun 2012	Current year to date 30 Jun 2013	Preceding year corresponding period 30 Jun 2012
Net profit attributable to shareholders (RM'000)	365	253	365	253
Weighted average number of ordinary shares ('000)	402,798	402,798	402,798	402,798
Effect of dilution on stock options ('000)	17,410	17,550	17,410	17,550
Adjusted weighted average number of ordinary shares in issues (diluted) ('000)	420,208	420,348	420,208	420,348
Diluted earnings per share (sen)	0.09	0.06	0.09	0.06

By the Order of the Board

Tan Kok Aun (MACS 01564)
Wong Wai Yin (MAICSA 7003000)
Secretaries
Kuala Lumpur

28th August 2013