



(Company No: 591898-H)

QUARTERLY REPORT

Condensed Consolidated Statement of Comprehensive Income
For the third quarter ended 31 December 2014
(Unaudited)

Group	Individual Quarter ended		Cumulative Quarter ended	
	Unaudited 31 Dec 2014 RM'000	Unaudited 31 Dec 2013 RM'000	Unaudited 31 Dec 2014 RM'000	Unaudited 31 Dec 2013 RM'000
Revenue	6,849	7,850	22,667	25,012
Depreciation and amortization	(581)	(537)	(1,746)	(1,579)
Other operating expenses	(6,077)	(7,242)	(19,555)	(22,708)
Interest expenses	(77)	(47)	(222)	(176)
Interest income	-	-	-	1
Share of results of associates	44	61	104	167
Profit before taxation	158	85	1,248	717
Tax expense	-	-	-	-
Net Profit for the period	158	85	1,248	717
Other comprehensive income:				
Exchange differences on translating foreign operations	990	87	763	964
Total Comprehensive Income	1,148	172	2,011	1,681
Net Profit attributable to:				
Equity Holders of Company	158	85	1,248	717
Non-controlling interest	-	-	-	-
	158	85	1,248	717
Total comprehensive income attributable to:				
Equity Holders of Company	1,148	172	2,011	1,681
Non-controlling interest	-	-	-	-
	1,148	172	2,011	1,681
Earning per ordinary share (sen):				
- Basic	0.04	0.02	0.30	0.18
- Diluted	0.04	0.02	0.30	0.17

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the annual audited financial statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.



(Company No: 591898-H)

Condensed Consolidated Statement of Financial Position

Group	Unaudited 31 Dec 2014 RM'000	Audited 31 Mar 2014 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	696	681
Intangible assets	11,318	10,343
Investment in associates	590	891
	<u>12,604</u>	<u>10,022</u>
Current assets		
Amount due from contract customers	14,080	10,958
Trade and other receivables	9,842	7,298
Tax recoverable	3	3
Cash and cash equivalents	12,103	6,311
	<u>36,028</u>	<u>24,570</u>
TOTAL ASSETS	<u>48,632</u>	<u>36,485</u>
EQUITY & LIABILITIES		
Equity and reserves		
Share capital	49,359	40,280
Reserves	(12,101)	(17,078)
	<u>37,258</u>	<u>23,202</u>
Non-Controlling Interest	28	28
Total Equity	<u>37,286</u>	<u>23,230</u>
Current liabilities		
Amount due to contract customers	74	48
Trade and other payables	7,280	8,362
Borrowings	3,991	4,844
Taxation	1	1
	<u>11,346</u>	<u>13,255</u>
Total liabilities	<u>11,346</u>	<u>13,255</u>
TOTAL EQUITY AND LIABILITIES	<u>48,632</u>	<u>36,485</u>
Net assets per share (RM)	<u>0.08</u>	<u>0.06</u>

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the annual audited financial statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.



(Company No: 591898-H)

Condensed Consolidated Statement of Changes in Equity

For the period ended 31 December 2014

(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 2014	40,280	8,307	942	4,545	(30,872)	23,202
Total Comprehensive Income for the period	-	-	-	763	1,248	2,011
Issuance of new shares	8,158	3,100	-	-	-	11,258
Shares issuance expense	-	(223)	-	-	-	(223)
Employee Stock Option						
- Grant of new option	-	-	89	-	-	89
- Exercise of options	921	477	(477)	-	-	921
- Transferred to accumulated loss for Lapsed ESOS	-	-	(33)	-	33	-
At 31 December 2014	49,359	11,661	521	5,308	(29,591)	37,258
At 1 April 2013	40,280	8,307	942	3,641	(31,599)	21,571
Total Comprehensive Income for the period	-	-	-	964	717	1,681
At 31 December 2013	40,280	8,307	942	4,605	(30,882)	23,252

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 2014 and the accompanying explanatory notes attached to the interim financial statements.



(Company No: 591898-H)

Condensed Consolidated Cash Flow Statements

For the period ended 31 December 2014

(Unaudited)

Group	Year To Date ended	Year To Date ended
	31 Dec 2014 RM'000	31 Dec 2013 RM'000
Profit/(Loss) before taxation	1,248	717
Adjustments for :-		
Non-cash items	1,834	1,579
Non-operating items	267	32
Operating profit before working capital changes	3,349	2,328
Net change in current assets	(5,668)	(4,130)
Net change in current liabilities	(1,055)	2,995
Tax paid	-	-
Net cash from operating activities	(3,374)	1,193
Investing activities		
Purchase of property, plant and equipment	(305)	(308)
Dividend received from associate	425	-
Acquisition of controlling interest in subsidiary, net of cash	-	33
Interest received	-	1
Addition of software development expenditure, net of grant	(2,176)	(2,060)
Net cash used in investing activities	(2,056)	(2,334)
Financing activities		
Proceed from issue of shares	12,179	-
Share issues expenses	(223)	-
Proceed/(Repayment) of short term borrowing, net	(853)	(2,333)
(Increase)/Decrease in pledged deposit place with bank	-	752
Net cash (used)/generated in financing activities	11,103	(1,581)
Net changes in cash and cash equivalents	5,673	(2,722)
Cash and cash equivalents at beginning of financial year	6,311	3,528
Effect of exchange rate changes on opening balance	119	165
Cash and cash equivalents at end of the financial period	12,103	971
Cash and cash equivalents at end of financial period comprise of:		
Cash and cash equivalents (excluding pledged deposits with bank)	12,103	971
Cash and cash equivalents at end of the financial period	12,103	971

The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the annual audited financial statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.



(Company No: 591898-H)

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 2014.

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

No material capital commitments were approved and contracted for as at 31 December 2014.



(Company No: 591898-H)

A9. Valuation of Property, Plant and Equipment

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

A10. Segmental Information

	Period ended 31 December 2014			Consolidated RM'000
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	
<i>Geographical segments</i>				
External	1,221	21,446	-	22,667
Inter-segment	-	1,368	(1,368)	-
Total revenue	<u>1,221</u>	<u>22,814</u>	<u>(1,368)</u>	<u>22,667</u>
Segment result	<u>(1,219)</u>	<u>2,585</u>	<u>-</u>	<u>1,366</u>
Interest income				-
Interest expense				(223)
Share of results of associates				104
Profit before taxation				<u>1,248</u>
Taxation				-
Profit after taxation				<u>1,248</u>
Segment assets	<u>39,357</u>	<u>41,667</u>	<u>(32,392)</u>	<u>48,632</u>
Segment liabilities	<u>4,864</u>	<u>10,120</u>	<u>(3,638)</u>	<u>11,346</u>
Capital expenditure	8	297	-	305
Depreciation and amortisation	18	1,728	-	1,746

A11. Subsequent Events

There were no material events between 1st January 2015 and 26th February 2015 that would be required to be reflected in the financial statement for the quarter ended 31st December 2014.

A12. Changes in the Composition of the Group

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



(Company No: 591898-H)

A13. Changes in Contingent Liabilities

	As at end of current quarter ended 31 Dec 2014 RM'000
Guarantees given by the Company to financial institution for credit facilities granted to subsidiaries	3,991 =====

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	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
	RM'000	RM'000	RM'000	RM'000
Transactions between the Group with a substantial shareholder				
Rental income	38	38	113	109
Consultancy income	-	-	-	10
	=====	=====	=====	=====



(Company No: 591898-H)

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 recorded revenue of approximately RM6.8 million as compared to revenue of approximately RM7.9 million for the preceding year’s corresponding quarter period ended 31 December 2013. The decrease was mainly due to lower delivery of third party products and expiry of certain maintenance contract. Despite the decrease in revenue, the Group recorded a profit before taxation of approximately RM0.2 million for the current quarter, which is comparable to the profit before taxation of approximately RM0.1 million for the preceding year’s corresponding quarter due to lower occurrence of operating expenses.

Current Year-to-date vs Previous Year-to-date

The Group recorded revenue of RM22.7 million for the 9 months ended 31 December 2014, representing an approximately 9% decrease over the revenue for the 9 months period ended 31 December 2013 of RM25.0 million. This was mainly due to lower delivery of third party products during the period under review.

Despite the decrease in revenue, the Group recorded a profit before taxation of approximately RM1.2 million for the 9 months ended 31 December 2014 as compared to the preceding year’s profit before taxation of approximately RM0.7 million due to lower occurrence of operating expenses.

B2. Variation of Results against the Preceding Quarter

	Current Quarter 31 Dec 2014 RM’000	Preceding Quarter 30 Sep 2014 RM’000	Difference (%)
Revenue	6,849	7,101	(4%)
Profit before taxation	158	641	(75%)

The Group recorded lower revenue of approximately RM6.8 million in the current quarter under review as compared to that achieved in the preceding quarter ended 30 September 2014. This was mainly due to the expiry of certain maintenance contract. As a result of the decrease in revenue, the Group ended the current quarter with a profit before tax of RM0.2 million as compared to that in the immediate preceding quarter.

The Group ended the current quarter with a secured order book of RM35.1 million as compared to RM43.3 million as at the end of immediate preceding quarter due to revenue recognition during the quarter and an early termination of a contract to provide third party vendors supported maintenance to a government agency though partly offset by new orders secured during the quarter.



(Company No: 591898-H)

B3. Prospect

Although the Group's net profit before tax for the 9 month period ended 31 December 2014 has improved as compared to previous year, the Group is operating in a challenging market. The Group believes that its operating performance for the current financial year will be dependent on its ability to manage cost, increase operational efficiency and success of its focused marketing strategies.

B4. Profit Forecast and Profit Guarantee

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

B5. Taxation

	Individual quarter ended		Cumulative quarter ended	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
	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 31 December 2014 are as follows:

	RM'000
Term loan	
<i>Payable within 12 months</i>	3,991
<i>Payable after 12 months</i>	-

	3,991
	=====

The borrowings are secured by pledge of present and future proceeds from certain consultancy contracts.



(Company No: 591898-H)

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.

B9. Status of Corporate Proposals

(a) 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			
			Granted	Exercised	Lapsed	As at 31.12.14
15.6.2007	30.10.2015	RM 0.10	8,440,000	(1,300,000)	(3,380,000)	3,760,000
01.10.2009	30.10.2015	RM 0.10	5,430,000	(3,275,000)	(200,000)	1,955,000
01.10.2010	30.10.2015	RM 0.10	3,600,000	(2,150,000)	(200,000)	1,250,000
15.04.2011	30.10.2015	RM 0.10	3,440,000	(2,090,000)	(440,000)	910,000
30.10.2014	30.10.2015	RM 0.10	1,440,000	(400,000)	-	1,040,000
			<u>22,350,000</u>	<u>(9,215,000)</u>	<u>(4,220,000)</u>	<u>8,915,000</u>

(b) Proposed private placement and proposed increase in authorized share capital (Collectively referred to as the "Proposals")

On 22 August 2014, the Company proposed to undertake the following:-

1. a private placement of up to twenty percent (20%) of the issued and paid-up share capital of the Company to third party investor(s) to be identified later and Raden Corporation Sdn Bhd ("Raden"), a company related to Y.A.M. Tunku Dato' Seri Nadzaruddin Ibni Almarhum Tuanku Ja'afar, a director and substantial shareholder of the Company; and



(Company No: 591898-H)

B9. Status of Corporate Proposals (Cont'd)

2. to increase the authorized share capital of the Company from fifty million ringgit (RM50,000,000) divided into 500,000,000 ordinary shares to one hundred million ringgit (RM100,000,000) divided into 1,000,000,000 ordinary shares.

On 4 September 2014, Bursa Malaysia Securities Berhad had resolved to approve the listing of and quotation of up to 98,816,280 shares, representing up to 20% of the issued and paid-up ordinary share capital of the Company (excluding treasury shares), to be issued pursuant to the Proposals. On 30 September 2014, the shareholders of the Company had duly approved the above Proposals in an Extraordinary General Meeting of the Company held on even date.

In December 2014, the Company had issued 81,579,600 new ordinary shares of RM0.10 each at an issue price of RM0.138 each for cash. Of the new shares issued, 20,394,900 new ordinary shares had been allocated and fully subscribed by Raden. As a result, the private placement is deemed completed.

The net proceeds from the said placements had been utilized in the Company's working capital.

B10. Realised and unrealized accumulated losses

	As at 31 Dec 2014 RM'000	As at 31 Dec 2013 RM'000
i) Total Accumulated Losses of Nova MSC Bhd and its subsidiaries		
- Realized loss	(38,851)	(43,094)
- Unrealised (losses)/gain	238	460
	<u>(38,613)</u>	<u>(42,634)</u>
ii) Total share of retained earning from Associates		
- Realized profit	902	634
- Unrealised gain	-	-
	<u>902</u>	<u>634</u>
iii) Group Consolidation adjustments	8,120	11,118
Total Group accumulated losses as per consolidated accounts	<u>(29,591)</u>	<u>(30,882)</u>



(Company No: 591898-H)

B11. Notes to Condensed Consolidated Statement of Comprehensive Income

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

	Individual Quarter ended 31 Dec 2014 RM'000	Cumulative Quarter ended 31 Dec 2014 RM'000
i) Depreciation and amortization	581	1,746
ii) Foreign exchange loss	157	167
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 31 Dec 2014	Preceding year corresponding quarter 31 Dec 2013	Current year to date 31 Dec 2014	Preceding year corresponding period 31 Dec 2013
(a) Basic earning per share				
Net profit attributable to shareholders (RM'000)	158	85	1,248	717
Weighted average number of ordinary shares ('000)	433,535	402,798	413,520	402,798
Basic earning per share (sen)	0.04	0.02	0.30	0.18



(Company No: 591898-H)

B12. Earning Per Share (Cont'd)

(b) Diluted earnings per share

Net profit attributable to shareholders (RM'000)	158	85	1,248	717
Weighted average number of ordinary shares ('000)	433,535	402,798	413,520	402,798
Effect of dilution on stock options ('000)	8,588	17,410	8,113	17,410
Adjusted weighted average number of ordinary shares in issues (diluted) ('000)	442,123	420,208	421,633	420,208
Diluted earnings per share (sen)	0.04	0.02	0.30	0.17

By the Order of the Board

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

26th February 2015